

Ramaphosa stresses NHI's economic rationale – Fin24 – 24 February 2020

National Health Insurance is as much about economic issues as it is about social justice, according to President Cyril Ramaphosa.

The president devoted his weekly newsletter to outlining the case for NHI – saying it is "one of the greatest travesties of our time" that access to quality health care is determined by income level.

NHI is the government's plan to provide universal healthcare access to all South Africans. The president said on Monday that NHI would be implemented in an "incremental fashion" with the aim of covering the whole country by 2025.

"We will use an affordable approach to progressively move towards a comprehensive NHI environment," he said, without providing further details.

According to Ramaphosa, around R250 billion is spent annually on the 20% of the population that has access to private medical insurance. The state spends about R220 billion on the rest of the population.

Ramaphosa's newsletter comes as country-wide public hearings into the National Health Insurance Bill are wrapping up.

"We must move away from a culture driven solely by self-interest and embrace the spirit of ubuntu, meaning solidarity," wrote the president. "This is the vision of the NHI. It is the vision of our Constitution."

Ramaphosa said SA could not build a "prosperous and economically thriving nation if a small minority of our workforce is healthy while the majority is vulnerable to ill-health and disease".

"In this respect, NHI is as much an economic issue as it is a fight for social justice," he said. "I call on all South Africans to mobilise behind the National Health Insurance and to see it implemented."

Criticism

The move towards implementing National Health Insurance has been criticised by some for being too expensive.

Finance minister Tito Mboweni warned in his Medium-Term Budget Policy statement in October that NHI budget plans were no longer affordable given SA's fiscal pressures as the economy stagnated. In November 2019, the minister argued that the country did not have to wait for NHI to be implemented to fix its public healthcare system. "There are things that are within our power that can be fixed now," he said. Trade union Solidarity, which has come out against the proposed plan, said late last year that its survey of healthcare practitioners found they were "almost unanimous in agreeing that government will not be able to manage it and that health practitioners are not interested in working within such a system". DA leader John Steenhuisen, meanwhile, last week described the NHI as "fantasy that your [Ramaphosa's] government simply cannot make work".

"There is no way we can even begin to raise the additional R280 billion required for the NHI without triggering a flight of both tax revenue and skills that we will never be able to reverse," said Steenhuisen in his response to President Cyril Ramaphosa's State of the Nation Address. "We can, and must, fix public healthcare within the current budget," he added.