

No pushback against damning report on ‘exorbitant’ costs at private hospitals – IOL 12 March 2020

Johannesburg - The Competition Commission has indicated there has been no pushback by private health-care companies after the tabling of a damning report into their conduct.

The commission had tabled the report which found that there was market dominance by three large hospital groups, and there were high costs in private hospitals.

Deputy Commissioner Hardin Ratshisusu told the portfolio committee on health on Wednesday there had been no pushback against the report.

“I don’t have a sense that there is a pushback from this inquiry, because they (private sector) were given sufficient time to engage (with us),” said Ratshisusu.

Members of the health committee said they believed National Health Insurance (NHI) would address the challenges in the industry.

They said the high cost of private hospitals was unaffordable for most people, that the NHI would fill that gap and ensure there was universal, quality health care in the country.

Pumza Dyantyi of the ANC said they needed to ask questions about the standardisation of prices in private health care.

“Why has it been so difficult, with the laws that we have, to do oversight on the prices?” Dyantyi asked.

She said this needed to happen.

Manzoor Shaik Emamn of the National Freedom Party said NHI was needed to address the issue of high prices in the private sector.

He said they could not allow three major hospitals groups to dominate the market at the expense of all the people. The poor were suffering because the major players determined the structure and nature of the business, he said.

Ratshisusu said it was up to Parliament and the Health Department to decide how to implement the report.

The inquiry was appointed a few years ago and chaired by former Chief Justice Sandile Ngcobo.

It found that the three big hospital groups dominated more than 80% of the market share.

Ratshisusu said they were engaging with the Department of Health on the report. “We are engaging with the Health Department so that there can be a cogent proposal from the department about finding the way forward,” said Ratshisusu.

A member of the inquiry, Dr Ntuthuko Bhengu, said when they were compiling the report, they were confronted with the question of whether to include NHI.

He said when the NHI came into effect, it would address a number of issues.

“If the NHI comes into effect tomorrow with the unregulated and imperfect private sector, that is a red flag for us. It’s now for other bodies to take over the baton from us,” said Bhengu.

He said they were still to conduct the Health Market Inquiry ordered by the Competition Commission.

Political Bureau