



PRIVATE PRACTICE REVIEW

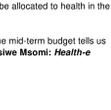
Private Practice Review presents the reader with a summary of the most relevant breaking news in the local and global healthcare industry, as obtained from media sources, including the public broadcaster, independent television broadcasters, independent news agencies, newspapers, radio and news sites. HealthMan strives to quote the Original Source. HealthMan compiles this information to provide the reader with a brief overview of the most recent events and developments as they are reported in the media. The views and opinions expressed in **Private Practice Review** are those of the authors of the media sources and do not necessarily reflect the views or opinions of HealthMan, its directors, employees and associates.

In this Newsletter

- Food for Thought**
- News on Government**
- Special News**
- Financial News**
- Pharmaceutical News**
- General News**
- News on Medical Schemes**
- CMS Circulars**
- Special Notes**

FOOD FOR THOUGHT

Five things the mid-term budget tells us about the SA healthcare system



COVID-19 accelerated an economic deterioration that was already under way, said Finance Minister Tito Mboweni in his mid-term budget framework speech (28 October). A second wave of infections and another hard lockdown will put South Africa's economic growth at greater risk. According to the budget R724-bn will be allocated to health in the period 2021 - 2023.

"As the pandemic impacts all sectors, we look at five things the mid-term budget tells us about what's happening in the healthcare sector," wrote **Neiliswe Msomi: Budget-News Service** (28 October 2020).

They are:

- Covid-19 funds and tenders;
- The future of the National Health Insurance (NHI);
- The heavy price of medical negligence;
- Social relief to ensure food security; and
- Employment of healthcare workers

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How Gauteng Health Department became the 'cash cow' for politicians

"The arrests last week of four of former (Gauteng) health MEC and ANC chief whip Brian Honyea's co-conspirators was a promising turn - although we don't understand why he wasn't handcuffed as well. But it also serves as a reminder that it is now more than a decade since the health department of South Africa's most populous province - now with over 11-m people dependent on its R55-bn per annum budget - was turned into a cash cow for crooked politicians ... and that it is the people who have paid," wrote **Mark Heywood in Daily Maverick's** Editorial Comment on October 28.

"There is a need to once and for all clean out the Gauteng Health Department; put it in capable, experienced and honest hands with an unambiguous mandate to do all that is needed to make it work again; and urgently conclude existing criminal investigations against those whose malfeasance has cost so many lives," wrote Heywood.

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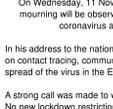
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Rot runs deep in Gauteng Health

"Operating without an approved structure since 2006, lack of regular skills audits and irregular appointments have been identified by senior staff members at the Gauteng Health Department as major catalysts for the continued corruption and incompetence that have plagued the department in recent years," reported **City Press** (1 November 2020).

Operating without an approved structure is against the regulations of the Public Service and Administration Department, the Public Finance Management Act, the Public Service Act and National Treasury. Staff members also accused the department of not undertaking skills audits in almost 10 years ... not taking decisive action against accused persons and making numerous irregular appointments at senior positions."

SPECIAL NEWS



Private sector must take self-assessment approach to resolve cost issues

As cost controllers on the one hand - and regulatory intervention on the other - remain issues in the private healthcare sector, a possible route to take right now would be for the major players, the providers and funders, to examine the cost issues themselves to get a better understanding of where the problems lie.

"There has been a lot of discussion on the cost of care - the **Health Market Inquiry (HMI)** went into it - with recommendations largely about setting up a system to manage prices and utilisation in the private sector."

Dr Arban Pillay, Deputy Director: NHI, Department of Health, reminded his BHF Dialogue webinar session audience last week.

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NEWS ON GOVERNMENT



Ramaphosa announces 5 days of mourning to commemorate victims of C-19

On Wednesday, 11 November, Pres Cyril Ramaphosa announced that five days of mourning will be observed (25 - 29 November) to commemorate the victims of the coronavirus and gender based violence (GBV) in South Africa.

In his address to the nation, Ramaphosa announced a 'resurgence plan' that will focus on contact tracing, community mobilisation and health system readiness after the rapid spread of the virus in the Eastern Cape.

A strong call was made to wear masks, stick to social distancing and avoid gatherings. No new lockdown restrictions have been announced; trading hours for alcohol will be normalised; SA's travel red list will be dropped; and the state of disaster has been extended by another month to December 15.

On November 11, Health Minister Zwelli Khehla announced that the number of coronavirus cases has risen to 742,294, 696 458 recoveries have been recorded; a 92% recovery rate.

Document reveals how spending cuts could hammer health sector



A document, (Division of Revenue Second Amendment Bill) tabled in Parliament by Finance Minister Tito Mboweni on October 28, reveals deep cuts to public health spending that were not elaborated upon in the medium-term budget policy statement (MTBPS).

The bill proposes cutting the national tertiary services grant by R55.7-m, leaving

the Western Cape and Gauteng with less money for hospital infrastructure; R20-m is cut from the Western Cape's grant and R27-m from Gauteng's.

Other cuts include a further R52-m slashed from the Northern Cape's health facilities revitalisation grant. The Western Cape loses R115.5-m from its Human Resources, Training and Development Grant. An additional R272.2-m is cut countrywide from two

grants set aside for NHI projects, on top of the R338.5-m cut in the emergency adjustment budget tabled in June, bringing the total cut from this flagship government project to R816.7-m in 2020/2021.

A total of R107.7-m is also cut from the HIV, TB and malaria grants. The MTBPS proposes compensation for health sector employees will be cut by R72.7-bn by 2023/2024.



COVID-19 exposes NHI fault lines

"COVID-19 has proven itself as a good trial run for the makings of a universal healthcare system, a glaring case study for why South Africa so desperately needs National Health Insurance (NHI). It is a success story, but not from an outcomes perspective, rather because it has exposed many weaknesses inherent in our collective healthcare infrastructure," wrote Paul Cox, MD of Essential Med in **BusinessCommunity** (6 November 2020).

"Central to this is that the pandemic has failed to foster a better understanding between South Africa's public-private partnerships (PPPs)."

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Re-imagined pathways for Universal Health Service (UHS)

On November 2, **BusinessLIVE** published an extract from the Inclusive Society Institute's recently released report: **Re-imagined pathways for UHS in SA: a critical policy assessment of NHI choices**

The report states that the objectives of universal health coverage should be: equity; containing escalating costs; efficiency; access to quality health care; and improved governance and stewardship.

To read the extract, click on the button below

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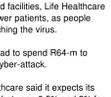
ANC flip-flops on NHI submissions

In November the majority ANC MPs outvoted MPs of the DA and Freedom Front Plus (FF+) to rescind their decision to outsource processing the tens of thousands of written submissions received in response to the National Health Insurance (NHI) Bill. The committee voted in October to appoint an external services provider to process the 32 217 hand-delivered and 32 634 emailed submissions received by parliament, agreeing that parliament did not have the capacity for the job.

But only one response to Parliament's advertised call for quotations was received. The DA's shadow health minister, Siviwe Cwele, said it appeared the ANC had already reached a decision before the vote.

FINANCIAL NEWS

Dis-Chem plan might offer affordable healthcare



Dis-Chem CFO Rui Morais revealed that the pharmacy chain has made an offer for an insurance business in order to establish a low-cost out-of-hospital medical care plan aimed at consumers without medical aids. The potential new business will also offer life insurance that could integrate with Dis-Chem's potential new business: Baby City.

Dis-Chem already sells low-cost generic medicines and has nurse-run clinics as well as nurse-led telemedicine in its pharmacies. Although low-cost health insurance products were to be banned by March 2021, the Council for Medical Schemes has granted an extension to some health insurance products until 2022, after consultations and resistance from the insurance and medical industry.

In the six months to August, Dis-Chem reported revenue growth of 8.1% to R12.8-bn and a 16.1% increase in headline earnings per share, to 36c per share.



J&J deal will boost Aspen's profile

The COVID-19 vaccine deal Aspen has secured with Johnson & Johnson will provide it with a higher global profile to secure further deals, reported **Business Times** (8 November 2020).

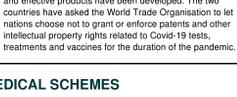
Aspen invested R3.4-bn in a facility in Port Elizabeth for anaesthetic products which will now also be used to manufacture 300-m C-19 doses a year.

Private hospital group Life Healthcare's revenue for its Southern Africa operations took a R2.3-bn knock for the year ended 30 September 2020, due to the COVID-19 pandemic. - **Fin24** (11 November 2020).

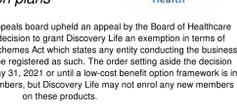
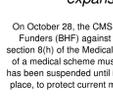
Like many private practices and facilities, Life Healthcare has had to deal with having fewer patients, as people stayed away out of fear of catching the virus.

In June, Life Healthcare also had to spend R64-m to restore its IT systems after a cyber-attack.

In its trading update, Life Healthcare said it expects its group revenue to decrease by between 0.5% and 2% for the year from R25.8-bn in 2019.



PHARMACEUTICAL NEWS



HIV prevention shot outperforms daily pills

An international HIV prevention trial comparing VIV Healthcare's long-acting cabotegravir injections with a daily regimen of Gilead Science's Truvada pill in women has proved so successful that it has been stopped early, reported **Business Day** (10 November 2020). The HPTN 084 trial, which includes SA volunteers, found women who received a shot of cabotegravir every two months were nine times less likely to get HIV than those who were directed to take a daily pill.

Sinead Delany-Morethwe, research director at Wits Reproductive Health and HIV Institute, said this is a real step forward for the HIV prevention field.

Hi-tech ways to put diseases in spotlight

A new gut microbiome test called Viome is now available in SA at R3 990.00.

According to Viome's CEO, Naveen Jain, this new technology allows for a molecular-level analysis of the gut in order to recommend to each individual why they should eat certain foods, and why they should avoid certain foods based on their own individual biology, with the goal to prevent and reverse chronic disease. As a disintegrating partner to Viome, Next Biosciences in SA is the first to bring a gut intelligence test to the local market.

The test analyses a stool sample and the results are uploaded on the Viome app, tied to a unique ID from the kit.

GENERAL NEWS

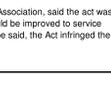


Support for SA call to open up patents

Human Rights Watch (HRW) has called on governments around the world to support SA and India's proposal to waive aspects of global intellectual property laws to ensure affordable and accessible Covid-19 vaccines, once safe and effective products have been developed. The two countries have asked the World Trade Organisation to let nations choose not to grant or enforce patents and other intellectual property rights related to Covid-19 tests, treatments and vaccines for the duration of the pandemic.

NEWS ON MEDICAL SCHEMES

Blow for Discovery Health's expansion plans



On October 28, the CMS appeals board upheld an appeal by the Board of Healthcare Funders (BHF) against a decision to grant Discovery Life an exemption in terms of section 8(h) of the Medical Schemes Act which states any entity conducting the business of a medical scheme must be registered as such. The order setting aside the decision has been suspended until May 31, 2021 or until a low-cost benefit option framework is in place, to protect current members, but Discovery Life may not enrol any new members on these products.

According to a presentation on Discovery's website, the number of lives covered by Discovery's primary care products has grown by 60% in the year to June 30, to 184 000, contributing 2% of Discovery Health's R8.37-bn revenue for the period. About a third of these lives were covered by primary care, approximately triple the 22 000 lives covered in 2018.

"At the heart of the issue is the regulation of 'low-cost benefit options' and cheap primary health insurance plans, which offer less cover than traditional medical scheme packages and require an exemption from the Medical Schemes Act in order to operate," reported **Business Day** (10 November 2020).

- Discovery Life CEO Hylton Kalliner said the BHF's action was unfortunate, as it potentially undermined primary healthcare cover in the long-term.
- BHF head of research Charlton Murove said the association had been concerned about the CMS's track record in granting exemptions.
- The CMS declined to comment, saying it was still studying the ruling and its implications for the lives covered.



Medical Schemes Act 'a crime' says Dr Kgosi Letlape

On November 2, the outgoing president of the Health Professions Council of SA, Dr Kgosi Letlape, called on Parliament to consider scrapping the Medical Schemes Act as it said privatised health services which should be available to all. (**The Citizen**).

Letlape said standards of healthcare in public facilities during apartheid were better than the current private sector as the health in the country was privatised by the Medical Schemes Act, which separated the rich from the poor. According to him the Act infringed the constitutional right to access of healthcare services. NHI was a solution, but on condition the assets and members of medical aid schemes were transferred to it, he said.

- Dr Angelique Coetzee, chairperson of the SA Medical Association, said the act was not causing inequality. She said public healthcare should be improved to service those who could not afford private services. But, Letlape said, the Act infringed the constitutional right to access healthcare services.

Circulars from the CMS

The following Circulars were published by the CMS in November 2020.



66 of 2020
Quarterly Statutory Returns Submission for 2020 (Q3)

66 of 2020
Enhancing the Auditor Authorisations and Approvals process

67 of 2020
Induction Programme for Trustees

SPECIAL NOTES

Psychiatrist practice space available

Opportunity to practice independently but alongside the established practices of two clinical psychologists in a recently renovated house in Parkview, Johannesburg. The available space consists of two bright and spacious interlocking rooms - perfect for consulting and separate examination room, or secretary plus consulting room. The house, with all necessary zoning rights in place, is a block away from busy Tyrone Avenue and close to general medical practices, pharmacies and Alkeso Parktown. Safe, off-street parking on site.

For more info contact:
Lucy Kaplan (083-296-1093;lucykap@june22.co.za) or
Richard Parry (079-527-6813;richardparry77@gmail.com).

Solo Practice in Blaauwberg Netcare Hospital for sale:
Dr Emma Hurlley, a solo practitioner in private practice at Blaauwberg Netcare Hospital, Blaauwberg, Cape Town is selling her practice in its entirety. It includes equipment, computers, data base, reception furniture etc. and an excellent PA who would be willing to stay on with the practice.

For more info, please contact Dr Hurlley at:
doctor@drhurlley.co.za,
or
063 273 8818

Vacancy for psychiatrist in Cape Town (General Adult Psychiatry)
We are looking for an enthusiastic psychiatrist with interest in General Adult Psychiatry to join two colleagues in a busy practice in the Northern Suburbs of Cape Town. Mostly outpatient based, with admission facilities available in psychiatric clinic adjacent to the practice.

For more info, please email:
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