#### July - November 2021 **Private Practice Review**



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.



July - November 2021 **CONTENT:** 

Food for Thought News on Government

Special Notes

News on Medical Schemes

IN THE DECEMBER 2021 ISSUE: In the next issue of *Private Practice Review:* A summary of news highlights from July - December 2021: Food for Thought, Financial News, Pharmaceutical News and General News

FOOD FOR THOUGHT  $(\rightarrow)$ 

Another year of COVID-19...

...that is probablly how we will remember 2021. Not only has the pandemic changed the world of healthcare, it also had a huge impact on the healthcare of the world, the global economy, society and the planet's mental health; to name but a few. COVID-19 has definitely presented us with a lot of 'food for thought'.

SA has made its mark amid Covid-19



"Even in the midst of the challenging economic environment caused by the Covid-19 pandemic, which was exacerbated by the violence and destruction that occurred in parts of KwaZulu-Natal and Gauteng in July, companies continue to make good on their commitments and to look for other investment opportunities in South Africa,"

said Pres Cyril Ramaphosa In a recent interview with *Moneyweb* (8 Nov 2021).

Regarding pharmaceuticals he pointed out Aspen Pharmacare's R3.4-bn expansion that has turned Aspen's Gqeberha manufacturing facility into one of largest global manufacturing hubs for general aesthetics and has also produced over 100-m doses of the Johnson & Johnson Covid under contract.

The World Health Organisation (WHO) also chose SA to host an mRNA vaccine manufacturing hub with the Biovac Institute, which is a public-private partnership with government.

"South African-born Dr Patrick Soon-Shiong and his company NantWorks recently announced an ambitious initiative to build capacity for advanced healthcare in Africa. In addition to the investments they will bring, these developments will also contribute to our collective ambition for the continent to manufacture 60% of its vaccine needs by 2040," said Ramaphosa.



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### 'Treasury gives scathing review of stagnant National Health Insurance'

"The ANC's plan for achieving universal health coverage is unlikely to require significant funding any time soon," reported Business Day (12 Nov 2021). This follows Finance Minister Enoch Godongwana's medium-term budget policy statement (MTBPS) in Parliament on November 11.

According to Treasury's acting head of the budget office, Edgar Sishi, the existing provisions for NHI, including the conditional grant, have not been spent, and it is unlikely that will change, because "it requires some fairly significant institutional arrangements to occur in the health sector, and that is nowhere near happening at this point".

Although key legislation was submitted to Parliament more than two years ago, the NHI Bill is still being considered by the portfolio committee on health, and the government has yet to publish up to date costing estimates for the programme.

To read more, click on the button below:

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More news on the NHI under: News on Government

SASP asks Court to scrap provisions in Medical Schemes Act



In October the SA Society of Physiotherapy (SASP) asked the Pretoria High Court to scrap provisions in the Medical Schemes Act that enable schemes to recover claims paid in error. This may have a devastating effect on the industry if it is upheld by the courts, according to a legal consultant to the Board of Healthcare Funders (BHF). - Business Day (28 October 2021)

SASP is asking the court to declare section 59 (3) of the act unconstitutional and wants the power to decide on claim disputes between schemes and healthcare providers to be given to an independent party, and a review of six years of contested audits.

"If Section 59 (3) is done away with, then schemes would have to take longer than 30 days to process claims, because the level of scrutiny would have to be increased dramatically just for ordinary claims,"

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said Debbie Perlman, BHF's legal advisor.

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"A turf war" This is how HealthMan MD, Casper Venter, described the increasing competition between pharmacies and medical practitioners. "The emphasis should be on expanding access to all medicines," said Venter.

The 'turf war' was caused by the proposed changes to Pharmacy Guidelines, which will broaden the scope of practice of pharmacists to provide therapeutic guidance; give diagnoses; and prescribe medication to patients.

In September *MedicalBrief* reported that the SA Medical Association (SAMA) is opposing the proposed amendments in a written submission to the South African Pharmacy Council (SAPC).

"Proposed changes to the Pharmacy Guidelines are unlawful, unfair and not in the patients' best interests", according to SAMA.

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healthcare services'

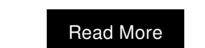
# Inside the big money of global healthcare

"Healthcare firms could become the world's most valuable companies within 30 years," - Paul Theron, CEO of Vestact Investment Services.

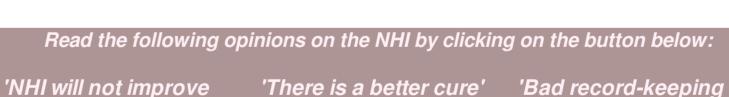
Financial Mail (7 October 2021) reported:

"By January this year, there were 6 653 biotech companies in the US. Nasdag alone lists 831, and science recruitment hub SeedScientific reckons the global biotech market could be worth \$727.1-bn in four years. That is referring to firms outside of 'Big Pharma', which is dominated by names like Johnson & Johnson (J&J), Merck, Pfizer, Roche, Novartis, AstraZeneca and GlaxoSmithKline. It implies a staggering amount of research for wouldbe investors. It also explains how some companies can dupe their way to the top."

To read more, click on the button below:







will set back NHI'

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Also Read: Is NHIS working for the People?

- Modern Ghana (1 November 2021) "Ghana's National Health Insurance Service (NHIS) was created by the National Health Insurance Act (Act 650) of 2003 and became one of very few attempts by a sub-Saharan African country to implement a national-level, universal health insurance program.

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**NEWS ON GOVERNMENT**  $(\rightarrow)$ 

# State ignored Covid-19 advice

Government was warned long before the third wave that a catastrophe loomed if restrictions were not tightened, according to the vice-chairperson of the SA Medical Association (SAMA), Mvuyisi Mzukwa.

"Government seemed to be solely relying on advice from 'certain' members within the ministerial advisory committee (MAC), but muzzled others," Mzukwa said. - *City Press* (27 June 2021)

- The warnings of SAMA chairperson, **Dr Angelique Coetzee**, who also sits on the
- committee, were ignored. • Progressive Health Forum convenor, **Dr Aslam Dasoo**, said health experts told
- government as early as March that a third wave was imminent. They urged government to prepare accordingly, but this advice was not heeded.
- Two other medical practitioners who sit on the ministerial advisory committee confirmed that "there is selective implementation of advice given to government".

Treasury allocates an extra R2.34-bn for more Covid-19 shots



"Treasury has allocated an extra R2.34-bn to purchase more Covid-19 doses and issued a stark warning that the slow pace of the rollout threatens SA's economic recovery,"

reported **Business Day**, following Finance Minister Enoch Godongwana's medium-term budget policy statement (MTBPS) on November 11.

More than 23.5-m Covid-19 vaccine doses had been administered in SA, but only 32.9% of the adult population is fully vaccinated. The new money set aside to purchase vaccines adds to the R19.3-bn already allocated by Treasury for vaccines.

**GOVERNMENT AND COVID-19** To read more about mandatory vaccines, booster jabs, 'No jab, No job' and

## **Read More**

action against anti-vax doctors, click on the button below

**COVID-19 TIMELINE** 

For the latest updates on the pandemic and the ways in which it has changed global economies, societies, and the everyday lives of people: Read more on the Think Global Health-website by clicking on the button below:

Think Global Health

**MEDICO-LEGAL ISSUES** 



#### 'You can't manage what you don't measure' "The lessons from SA's medical malpractice disaster

are that you can't manage what you don't measure," Business Maverick (7 July 2021).

This is the conclusion of public interest actuary Gregory Whittaker, who was commissioned by the Actuarial Society of SA to research the driving force behind malpractice suits.

"Rather than hand-wringing, Whittaker strongly recommends the department establish a medico-legal unit to create a uniform statistical reporting system for medical malpractice claims. It would improve patient safety and help to understand the performance of the medical liability system," said Whittaker.

"The fact that SA has no legislation regulating legal claims in the medical field, also requires urgent attention," Whittaker said. He recommended the establishing of specialist medical malpractice courts to lend support to this legislation and a medico-legal unit to create a uniform statistical reporting system for medical malpractice claims.

Doctors call on Minister of Justice to review culpable homicide laws



Nine leading SA healthcare organisations have united to urge the government to initiate a review into culpable homicide law and its application in a healthcare setting. They call for a review to be conducted by the SA Law Reform Commission (SALRC) due to the complexity of criminal law in a healthcare setting.

In a letter to the Minister of Justice and Correctional Services, Hon Ronald Lamola, the healthcare organisations said: "There is a very low threshold in SA law for blameworthiness when a patient dies while

under medical care, which has resulted in errors of judgment in complex healthcare environments being criminalised, and healthcare professionals being convicted regardless of their intent."

"A recent survey of more than 500 doctors, conducted by the Medical Protection Society (MPS), showed that almost 9 in 10 (88%) are concerned about facing an investigation, following an adverse patient outcome during their career, and 90% think the prospect of facing criminal investigation or charges impacts on their mental health,"

reported *TimesLive* (5 Nov 2021)

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**Compensation Fund** In September **Business Day** reported:

The rot is deepening

"The government has gone rogue. In gazetting draconian, irrational and unreasonable regulations pertaining to the Compensation Fund the day after Parliament rose for recess, Employment & Labour Minister Thulas Nxesi cynically abused his executive power to avoid oversight and evade public scrutiny.

"At the stroke of a pen, on September 30, Nxesi will in effect remove the right of medical service providers to use the services of banks and third-party pre-funding administrators to ensure they are paid for treating injured workers. Such is the structural dysfunctionality of the Compensation Fund that even if they can navigate their way through the 'CompEasy' system, medical service providers are forced to wait up to two years for payment," according to Business Day.

**CORRUPTION IN HEALTH DEPARTMENT REVEALED** 



COVID-19 The Digital **Vibes Saga** 

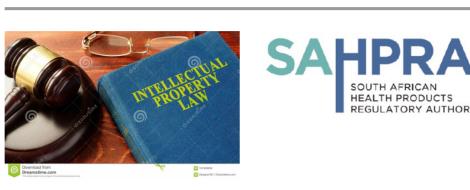
At the end of September *Times Live* reported that President Cyril Ramaphosa has finally authorised the publication of the Special Investigation Unit (SIU)'s report into the National Department of Health's R150-m Digital Vibes communications contract saga.

The report found evidence that former Health Minister Zweli Mkhize had a conflict of interest as "his friends or associates under the guise of Digital Vibes were unlawfully and irregularly appointed" by the National Health Department to

oversee media campaigns for the NHI and Covid-19 to the presidency". It also cited a "lack of oversight" by Mkhize who, it added, "can be argued ... deliberately ignored a cabinet decision" on the communication strategy and implied that his conduct interfered in the affairs of the administrative authority of the NDoH. Pres Ramaphosa received the report from the SIU in early July 2021.

• On August 5, Dr Joe Phaahla replaced Dr Mkhize as Minister of Health.

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Also read the following news highlights on Government by clicking on the button below:

Activists demand change in intellectual property laws

SAHPRA experts fed up The impact of looting and with delayed payments unrest on the healthcare sector SAHPRA doubtful of

Foreign-trained doctors take HPCSA to court

#### **Read More**

covid home testing kits

**NEWS ON MEDICAL SCHEMES**  $(\rightarrow)$ 

From the Council for Medical Schemes (CMS) To read an Overview of the Council for Medical Schemes' Annual Report for 2019/2020 prepared for the benefit of HealthMan Clients, Click on the button below:



Overview of CMS Report

SIU probe into CMS almost complete On November 10, the CMS registrar, Sipho Kabane, told Parliament that the

Special Investigating Unit's (SIU's) probe into alleged maladministration, corruption and unlawful conduct by its employees should be completed by the end of January 2022. The SIU investigated a number of officials that are doing compliance and investigation work and all of those that have been investigated have been cleared, said Kabane. The council is still waiting for a final report, and will

certainly act on it, said Kabane.



# The health of SA's **Medical Schemes**

"In 2020, the world looked to the pharmaceutical, healthcare and insurance sectors for solutions. Both the local and global healthcare systems underwent significant pressures following the outbreak of the novel coronavirus. Medical schemes were caught off-guard with good reason, as just about everything about the ongoing pandemic was, indeed, novel," wrote Timothy Rangongo in Finweek (5 November 2021).

Assessing the impact of this virus on overall claims experience, considering the incidence or infection rates, severity levels, treatment costs, duration and levels of premium member benefits that apply, were among key areas of challenge for medical schemes.

To read more, click on the button below:

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### **Medical Schemes: Poor perception**

"Overall customer satisfaction among members of the largest medical schemes has declined," reported Ina Opperman in The Citizen (2 October 2021).

According to the findings of the latest South African Customer Satisfaction Index for Medical Schemes conducted by Consulta, Bestmed emerged as the leader in overall customer satisfaction, while all the other large open medical scheme providers - Bonitas, Discovery, Medihelp and Momentum - performed on or below par.

Regarding perceived value of the quality relative to the price paid, Bestmed scored highest at 74.1 with the industry par on 70,5, followed by Bonitas (71.1), Discovery (70.5),

GEMS (69.0), Medihelp (70.6) and Momentum (67.0).

Discovery, GEMS and Momentum showed significant increases in their number of complaints during 2021.

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Also read the following highlights by clicking on the button below:

New Sanlam will provide Medscheme's low-cost primary health legal battle insurance

Fraudulent claims are bleeding the industry dry Bonitas' biggest surplus

COUNCIL OR MEDICAL SCHEMES

#### **CIRCULARS FROM THE CMS** $(\rightarrow)$

The following circulars were published by the CMS in November 2021

Circular 54 of 2021: Erratum to Government Gazette 44530: Imposition of levies for Medical Schemes

for the 2020/21

vaccine claims

Circular 55 of 2021

Circular 56 of 2021:

Circular 57 of 2021:

Circular 58 of 2021:

by the CMS Council

Service Providers

Declaration for Designated

Maintenance Work-Internet Line

Administrators and Managed Care Organisations Accredited

Exemption for late COVID-19

Circular 59 of 2021: Quarterly Statutory Returns Submission for 2021

> Circular 60 of 2021: Evaluation of contribution increase assumptions for 2021

Circular 61of 2021: Sizwe Medical Fund and Hosmed Medical Scheme merge

Circular 62 of 2021: Invitation to comment on SRM entry and verification criteria guidelines

Circular 63 of 2021: **Trustee Training December 2021** 

**Special Notes**  $(\rightarrow)$ 

> Established Practice for sale in Durban Obstetric and Gynaecology Practice for sale. Established 26 years in Durban Upper Highway area. Owner retiring. All furniture, equipment and records available. No good will.

> > For more info, contact Christine 082 458 9718

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