



HEALTHVIEW

NOTICE
HealthView 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. SAPPF 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 HealthView are those of the authors of the media sources and do not necessarily reflect the views or opinions of SAPPF, its directors, employees and associates.

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January - June 2020**

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Click on the button below to read the summary in the June issue of **HealthMan's Private Practice Review**

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FOOD FOR THOUGHT

Will medical aid patients jump queue when COVID-19 peaks?

"As the government puts the final touches to a deal with private hospitals to admit critically ill public sector COVID-19 patients, uncomfortable questions run through the minds of many medical scheme members," wrote Tamar Kahn in *Business Day* (17 June 2020).

"When beds are in short supply, can members jump the queue? Or will they premiums guarantee them a ward set aside for the wealthy? Or will they simply be one more patient in a sea of demand, and perhaps be told there simply is no place for them or a loved one?"

"Netcare CEO Richard Friedland said that under disaster management principles some form of triage must be applied to those who are most likely to survive versus those who are not going to," wrote Kahn.

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OPINION:

Prognosis for private hospitals still uncertain

"Recent results from hospital groups, show pressure on occupancies and profitability since mid-March, when groups had to initially prepare for COVID-19 and then saw a decline in elective surgeries, and in medical and trauma cases since April," wrote Patsy David (head of research at AI Weather Capital) in *Business Day* (12 June 2020).

Acute hospital occupancies fell below 40% (from about 65% before coronavirus), general practitioner visits fell 30% and dental visits declined by 67%.

"The private hospitals have undertaken several interventions to mitigate operational and liquidity risks. Cash conservation activities include lower utilisation of agency staff, extended payment terms with suppliers and landlords, and the deferral of non-essential capital expenditure. Idle capacity with still low insured patient admissions and virtually no uninsured admissions is problematic," wrote David.

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NETCARE

You're in safe hands

Netcare scraps its interim dividend

In May, private hospital group, Netcare, followed several other companies and scrapped its interim dividend payment. It has also withdrawn its full-year guidance, secured a waiver of its debt covenants and increased its undrawn banking facilities to R4.8-bn. In April Netcare's acute hospital patient days fell by 49.5% compared to last year, and occupancy levels stood at 32.6%.

Life Group

COVID-19 drive Life's costs up

By April 20, the COVID-19 pandemic had already cost private hospital group Life Healthcare R240-m in foregone revenue during its half-year to end-Health.

Private hospital groups in SA were already under pressure before COVID-19, due to a lack of growth in medical aid members, and due to pricing power moving to a few large medical aids, reported *Business Day* (20 April 2020).

In May Life Healthcare scrapped its interim dividend payment to shareholders - the first time it has done so since listing on the JSE in 2010. The company estimated COVID-19 knocked R24-m off its revenue and R166-m off its normalised earnings before interest, tax, depreciation and amortisation.

MEDICLINIC

Mediclinic scraps its dividend

In June Mediclinic International, joined many companies in scrapping its dividend as it seeks to preserve cash amid uncertainty created by the COVID-19 pandemic. This was the first time in Mediclinic's 35-year history that it has withheld a dividend payout, reported *Business Day* (3 June 2020).

"Earlier Mediclinic won its appeal against the Competition Tribunal's prohibition of its proposed acquisition of Mallosana Medical Health Services in North West Province. The CC blocked Mediclinic's plans, saying that if the deal was approved there would be less competition in the area and prices were likely to rise. The matter was referred to the Competition Appeal Court, which ruled in favour of Mediclinic."

IN DEPTH:

The deals that will see public sector patients in private hospitals

"As the number of confirmed cases is about to cross 100 000 and the death tally nears 2 000, the country's public healthcare sector is already running low on hospital beds in some areas," reported Kathryn Cleary for Spotlight (22 June 2020).

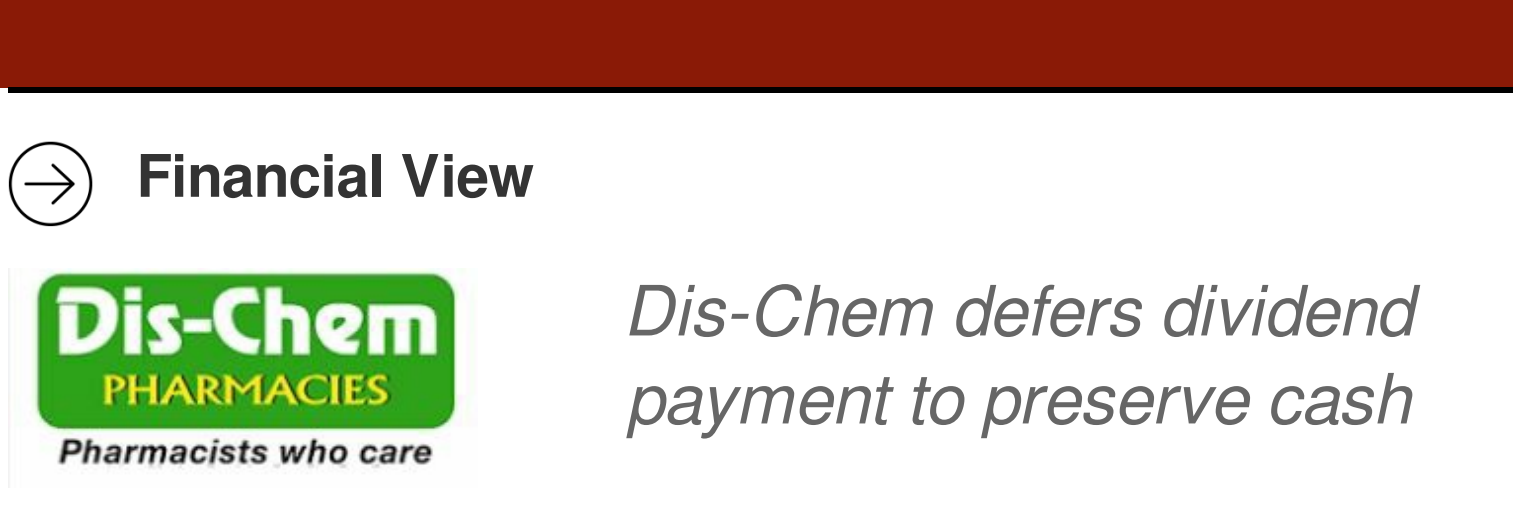
Despite the lockdown and preparations put in place by government, "it doesn't matter what we do," says Dr Nicholas Crisp, a public health consultant with the DoH and head of the NH office. "The DoH has expedited negotiations to purchase much needed beds from the private sector. The ins and outs of these negotiations are anything but simple - it has taken so long, not because any of the parties have been disinterested, but because it's quite complicated," said Crisp.

To read the full article, click on the button below

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Number of COVID-19 cases in SA doubled in 14 days, reports News24 (22 June 2020)

"The doubling of coronavirus cases to 101 590 in just 14 days is possibly as a result of the change in testing strategy. SA is now recording an average of 891 cases a day. It took 946 817 tests between 5 March and 6 June to find the first 50 000 cases, and just 437 092 tests to find the next 50 000 cases. Lack of clarity over date of sample collections and processing hinder estimates of the rate of infection increase under lockdown Level 5."



Financial View

Dis-Chem PHARMACIES

Pharmacists who care

Dis-Chem Pharmacies deferred its dividend payment to preserve cash in order to deal with the uncertainties created by the coronavirus pandemic. Last year, the group declared a final cash dividend of 13.47 cents a share, as it returned R266-m to shareholders in dividend payments.

- War over pharmacy software dominance**
In February, Dis-Chem-backed technology company Vexall asked the Competition Commission to stop Telkom subsidiary Business Connexion (BCX) from abusing its dominant position in the pharmacy software industry. Vexall accused BCX of forcing its customers to buy value-added services together with the software licence. About 70% of all scripts processed in SA are dispensed using Unisolv.
- On April 23, the Competition Commission announced that it has referred Dis-Chem to the Competition Tribunal for excessive pricing during the coronavirus pandemic. The referral follows complaints regarding price increases for face masks of 42% and 261% between February and March.**

Clicks pushes own products

In January *Business Day* reported that Clicks will prioritise its own branded products in a bid to provide better value to cash strapped customers. A third of Clicks' products, excluding dispensed medicines, are from its own labels.

On June 9, Judge AJ Sievers of the Western Cape High Court found that the Clicks Group owns, via its subsidiary companies, both a retail pharmacy group and a pharmaceutical manufacturer, which contravenes the Pharmacy Act.

"This would result in consumers not getting the best quality product at the best price. Products which are not strictly needed might be recommended and sold," said Sievers. Clicks - who will appeal the judgement - was ordered to pay the costs borne by the ICPEA.

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

- Discovery upbeat despite lower earnings**
- Aspen's shares outperform the company's peers**
- Growthpoint bets on healthcare surge**
- R1.1-bn for upgrades at provincial hospitals**
- Ascendis to sell SciTec in Europe at heavy discount**

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View on Pharmaceutical News

Low-cost drug improves COVID-19 patients' chances of survival

According to the latest research, (announced in June) a low-cost, 60-year old medicine (dexamethasone) seems to improve survival in patients with COVID-19. Researchers at the University of Oxford found that treatment with the steroid medicine - used for rheumatism, asthma, allergies and cancer patients - reduced deaths by a third among patients on ventilators and by a fifth for those receiving oxygen only.

"For less than £50, you can treat 8 patients and save one life," said Martin Landray, an epidemiologist at the University of Oxford, and another chief investigator on the Recovery Trial.

To read more on COVID-19 vaccine research, click on the button below

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Using Artificial Intelligence (AI) to fight COVID-19

"The two advantages that a computer has over a human being is firstly the ability to look at an enormous amount of data - far, far more than any human could ever compute. But also to be able to draw comparisons and make connections that a human wouldn't necessarily be able to do or that wouldn't necessarily occur to us."

In an extended interview, Environmental Scientist Marco Masceron explains the interplay of intellect and technology as we forge our way across the battleground that is COVID-19.

Watch the Carte Blanche video: COVID-19-the might-of-machine
www.cartelblanche.co.za

AI may be the solution

"Artificial intelligence (AI) has been used to discover a new antibiotic effective against untreatable diseases, marking the advent of a new tool in the global fight against drug resistance," reported *Financial Times* (24 February 2020).

Researchers at the Massachusetts Institute of Technology (MIT) discovered a potent new antibiotic, halicin, which was able to kill 35 powerful bacteria. The new antibiotic was discovered using a deep-learning algorithm developed by computer scientist Regina Barzilay.

Special exemptions for prescriptions

On April 24, Health Minister, Zweli Khehizwe announced an exclusion regarding Schedule 2, 3 & 4 substances in terms of the Medicines and Related Substances Act (1965 (Act No. 101 of 1965)).

Patients using the above mentioned chronic medication may now be prescribed repeats of up to 12 months. Schedule 2, 3 and 4 substances have now been excluded from the legal requirement (Section 22A(5)(f) of the Act No 101 of 1965) that such substances may be dispensed for no longer than six months.

Cocaine may be restricted

In January it was reported that the SA Health Products Regulatory Authority (SAPHRA) is considering ruling that popular painkillers and cough suppressants are sold on prescription-only, unless the industry can come up with a viable alternative.

According to a study by the Medical Research Council, addition to cocaine accounted for 2.5% of admissions to rehabilitation facilities in 2014.

Cocaine-based drugs had a market worth R1.6-bn a year, or 3% of total private sector medicines sales.

Also read the following highlights by clicking on the button below

- HIV vaccine trial fails**
- Cancer drug delays 'costing lives'**
- Safety concerns delay HIV drug**
- TB detection boost**

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View on General News

SA ENT surgeon and veterinary professor operate as a team

On June 20, a team of specialists from the Faculty of Veterinary Science of the University of Pretoria (UP) - joining forces with human medical specialists - made history by operating on Makokou, a 34-year-old gorilla from the Johannesburg Zoo. They used the latest technology to remove several polyps that caused Makokou to suffer from chronic sinusitis. It was only the second time in history that this kind of procedure had been performed on a gorilla.

The surgical team included Dr. Kobus Venter (ENT) and Prof Gerhard Steenkamp (Faculty of Veterinary Science of the UP).

New Technology inspired by COVID-19

Nifty box to protect virus frontline staff

Emergency doctors at Charlotte Maxeke Hospital in Johannesburg came up with an innovation to protect healthcare workers from COVID-19. Intubox limits contact with patients and can be used in any intubation, extubation or aerosolising procedures as well as in the operating theatre, in ICU or critical care of patients, and in wards with patients on high-flow oxygen.

Intensive-care specialists at Tygerberg Hospital in Cape Town are using a new Double Robotic 'robot' to help specialists do 'virtual' ward rounds - even from home - if they are unable to be physically present. This follows experiments by Prof of Pulmonology at Stellenbosch University's Faculty of Medicine and Health Sciences, Coenie Koegelenberg, shortly before SA's lockdown.

In April *BBCNews* reported that a team in Colombia is to test a ventilator made with a Raspberry Pi computer and easy-to-source parts. The design and computer code were posted online in March by a robotic engineer in California, Marco Masceron, who had no prior experience at creating medical equipment.

From shipping containers to ICUs

Diflase Consulting Engineers developed mobile intensive care units (ICUs), modelled on shipping containers, to help in the fight against COVID-19. The 12m containers are partitioned to create a 6m isolation ward and an adjacent plant room that services it. A container could take one or two beds that can be put onto a truck and taken anywhere.

Healthcare Newsflashes: January - June 2020

Free virtual consultations: Discovery and Vodacom announced that they will cooperate to offer the public free virtual consultations with doctors to help diagnose and treat these exhibiting symptoms of the coronavirus. The cost of the consultation will be funded by Discovery and Vodacom.

Track-and-trace: Telkom, together with the NICD and the Council for Scientific and Industrial Research (CSIR), has developed a new track-and-trace platform to help the country's efforts in the fight against COVID-19. The track-and-trace system collates multiple data sources such as geographic information systems (GIS) to track an infected person's exposure and who they may have unknowingly exposed to the coronavirus.

Hotline: "Doctors on Call" Netbank, the KwaZulu-Natal Doctors' Healthcare Coalition, Usizo Advisory Solutions and Vista have launched a Doctors on Call hotline to all South Africans. More than 450 medical doctors across the country have voluntarily committed their time and expertise. Callers pay the normal cost of a call but don't pay to talk to the doctor.

R4-bn in life cover pledged: Old Mutual pledged R4-bn in life cover for healthcare professionals who are working on the front lines of the pandemic in SA. The cover is free for 430 000 registered health workers and was neither a product nor a policy.

WHO to use WhatsApp app developed in SA for COVID-19 The newswagency *Bloomberg* (25 March 2020) reported that the World Health Organisation (WHO) plans to reach at least 50-m people with a WhatsApp information service (developed in SA) that delivers information on topics ranging from symptoms of the disease and where to get tested.

Past President of SA Society of Psychiatrists (SASOP) passes away Prof. Bernard Janse van Rensburg, pre-past President of SASOP, passed away on 23 April, following a massive heart attack a few days earlier. Van Rensburg was the Secretary of the World Psychiatric Association (WPA) Section on Religion, Spirituality and Psychiatry, an honorary member of the WPA as well as the chair of the SAMA Academic Doctors Association (ADASA)

COVID-19 claims life of CMS Chairperson, Dr CM Mini On Monday, May 11, Dr Clarence Mazwangwandle Mini, the Chairperson of Council for Medical Schemes (CMS), passed away. Dr Mini contracted coronavirus (COVID-19) and was hospitalised for more than a month.

Loss of taste and smell may be symptoms of COVID-19 Medical *Brief* (20 May 2020) reported that researchers at University of California (San Diego Health) found that loss of smell and taste are strongly associated with COVID-19. Of the 1,480 patients with flu-like symptoms and concerns regarding potential COVID-19 infection, 102 patients tested positive for the virus and 1,378 tested negative.

COVID-19 test backlog is easing In June the National Health Laboratory Service (NHLS) assured Parliament that it is making progress in reducing its massive COVID-19 test backlog, despite the ongoing global shortage of kits and reagents. The backlog of unprocessed specimens, which stood at a peak of 101 000 on May 21, had been whittled down to 70 219 by June 9.

Antibody tests near 100% accuracy The latest rapid antibody tests - that check whether the body has produced a defensive reaction to the infection - can give a better understanding of community spread, the tests are much quicker and can be made readily available at points of care such as pharmacies.

"The antibody tests, can provide a better understanding of community spread," reported *Times Select* (15 June 2020).

Special Notes

ENT Practice at Sandton Clinic for Sale

Bilingual ENT practice at Sandton Clinic available to take over. Some equipment and furniture included. Patient records available.

For more information contact: Elienne Markgraaff. Phone: 083 228 1358 or 011 783 6655.

If you - or anyone working with your hospital or practice - is feeling exhausted, stressed, and at high risk for physical and mental illness as the COVID-19 pandemic continues to take its toll, please contact the Healthcare Workers Care Network. The initiative is a strictly confidential, free service run and delivered by volunteer psychiatrists and psychologists.

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