News from Medical Schemes at Biovac'

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,

'State's cheap shot

Business Day reported on 19 April that government's decision to switch to a cheaper supplier of pneumococcal vaccines has dealt a blow to Biovac, the "While the move could save money for the National Department of Health (NDoH), it contradicts government policies aimed at boosting domestic vaccine manufacturing and Biovac, which entered into a partnership with Pfizer in 2015 to manufacture the Prevenar13 vaccine, won the contract to supply the government in 2019 and was However, the latest tender has been awarded to Cipla, which has no local manufacturing capacity and will need to import the vaccines from India. On 20 April Business Day reported that, according to Cipla, a contract with Cipla rather than Biovac, will save the government R2,4-bn. Paul Miller, CEO of Cipla SA, said that, given the nation's current economic difficulties, the effect of the savings • In a statement, released on 19 April 2023, the NDoH revealed that Cipla had submitted a bid price at least half that of Biovac's for the three-year contract. For the upcoming tender starting in 2024, Cipla will supply 12.6-m doses of a 10-valent pneumococcal vaccine for R97.06 per dose, while Biovac currently supplies the government with a 13-valent pneumococcal vaccine, Prevnar, at R288.32 per dose. 'Maybe penny-wise, but very pound-foolish' "The department has destabilised Biovac, sabotaged the policies of other departments seeking to promote SA's nascent industry and undermined everything President Cyril Ramaphosa has done to promote African vaccine manufacturing." Editorial, *Business Day*– (21 April 2023) For over two decades, the government has spent billions of rands on Biovac for the jabs provided in SA's childhood immunisation programme, recognising that putting money into developing local vaccine manufacturing was worth some strain on the NDoH's purse To read the full Editorial Comment, click on the button below Read More ... nurses, snakes & migrants ... nurses will have retired - **Business Day** (12 April 2023):

strings. "The announcement that that good work was dealt a blow last week when the department said its 2024 tender for pneumococcal vaccines would go to the SA subsidiary of Indian generic pharmaceutical maker Cipla, which will import the jabs from the Serum Institute of India." **Avoid catastrophe!** 

SA has only one nurse per 213 people. Of these, less than a third are under 40; within 15 years, 47% of all "If action is not taken immediately to develop a sustainable pipeline of nursing talent, the problem will become noticeably worse," wrote Peter Wharton-Hood.

"As a leading provider of quality healthcare, we have the facilities and the capacity to contribute to the national pool of skills, especially in the field of nursing, by training as many as 3 000 more nurses every year. Yet we are being denied the opportunity to invest in the next generation of nurses. The bureaucrats will not listen." To read Peter Wharton-Hood's article, click on the button below: Read More

'Another public health Migrants have rights to free healthcare crisis'

"Amid a frantic scramble for snake

antivenom in SA, snake bite victims are

doses to save pets bitten by snakes,"

reported *Daily Maverick* (3 April 2023)

has dwindled to almost nothing. Some

snake antivenom they had left, giving

hospitals were rationing the few vials of

According to Arno Naude from Snake Bite Assist SA, the country used to have five

years of antivenom in stock. Now, that stock

minimal doses to snake bite victims, hoping

it would be sufficient to pull them through.

receiving half the prescribed dose - that's if

they're lucky to be treated at all. Desperate

veterinarians, meanwhile, are using expired

"The Johannesburg High Court has upheld

the rights of all pregnant women and

health services, regardless of their

nationality or documentation status,"

children under six to receive free public

reported *Business Day* (18 April 2023).

of Health to inform all provincial health

departments that the policy of charging

unlawful and invalid.

migrants for these services is inconsistent

with the National Health Act and, therefore,

The department was also ordered to direct

provinces to display notices and posters in

**Eskom** 

all public health facilities, stating that

The court ordered the National Department

Meanwhile a group of 27 experts in South pregnant and breastfeeding women and children under six are entitled to free health Africa has written to Health Minister Joe Phaahla for urgent intervention in the services, irrespective of their nationality or critical shortage of anti-venom. documentation status. **NEWS FROM GOVERNMENT Health departments** in spotlight for irregularities

of being recovered. City Press reported on 23 April that she has identified various material irregularities in different provinces, including payments not made on time, payments for goods or services not rendered, rental payments for radiology equipment not in use, and fictitious payments made from infrastructure maintenance budgets. To read more, click on the button below: Read More

Hospitals spent over

R685-m

which was adjusted to R666 655 000.

unanswered for years."

Auditor-General Tsakani Maluleke told Parliament's committee on health that financial losses of R148-m had been recovered, potential financial losses of R636-m had been prevented, and financial losses of R509-m were in the process

'to keep the lights on' From April 2022 to March of this year, public hospitals in SA spent over R685-m on diesel to keep the lights on during load-shedding, reported Cape Times (17 April 2023). According to Health Minister Joe Phaahla, hospitals had exceeded their budgeted amount

by R19 281 000. The initial budget for diesel during the financial year was R372 242 000,

"The National Department of Health is seeking additional funding to keep healthcare

facilities running, including fuel, oil, and generator servicing. The department is also seeking funding to roll out solar energy and battery storage as a backup supply. "Phaahla has directed the department's Director-General to meet with Eskom to mitigate against load shedding, and ongoing engagements are taking place with the Department of Cooperative Governance and Traditional Affairs and various municipalities to secure additional exemptions for both private and public healthcare facilities from the grid."

providers R4-bn The Gauteng Department of Health is spiralling out of control, reported City Press (9 April 2023). The department owes R4-bn to more than 42 service providers and there is a "total shutdown in communication by senior managers who neglect to make legitimate payments to businesses that have been contracted for various services".

"Gauteng Health MEC Nomantu Nkomo-Ralehoko has been roped in to intervene in the standoff between senior officials and service providers who had delivered services to the

Gauteng to cut NPOs funding by R416-m

Gauteng Department of Social Development has announced that it will cut funding to Non-profit organisations (NPOs) by R416-m, reported *City Press* (23 April 2023). The department intends to divert the money to research and development as well as waste management, cooperatives, sewing school uniforms, dignity packs, informal

department because payment requests for legitimate invoices have been deliberately

Gauteng Health owes service

settlements and hostels in townships. According to Gauteng NPOs this could result in another Life Esidimeni tragedy, as most of the people affected are vulnerable members of the population. In October 2015, more than 1 400 mental healthcare patients transferred to ill-equipped NGOs died due to inadequate care after the Gauteng Department of Health terminated a 30-year contract with Life Esidimeni Healthcare Centre. SAMA dispute escalates "A dispute over the leadership of the SA Medical Association (SAMA) has escalated into a bitter battle, with criminal charges now possible against

> both sides," reported City Press (16 April 2023).

"The issue is how the association is run by its board, which is elected via an annual general meeting or a triannual national council where members from all provinces are present. In December, the Cape Western branch (CWB) of SAMA complained that the SAMA board had flouted its memorandum of incorporation. "Last year, the SAMA board suspended all 13 members of the CWB council for spending part of their budget on top legal opinion, which the board classified as "embezzlement". To read more, click on the button below: Read More

SIU litigates more than R1.6-bn in health cases

BusinessLive reported on 17 April that the Special Investigating Unit (SIU), responsible for investigating and prosecuting corruption, malpractice, and maladministration by state entities, has recently taken legal action of over R1.6-bn in health-related civil cases. This includes about R500-m linked to an investigation into the state attorney's office. The SIU is also investigating 18 legal practitioners who allegedly provided legal services regarding

medical negligence claims for the Gauteng and Eastern Cape health departments. "Additionally, the Health Sector Anti-Corruption Forum (HSACF) estimated that R4-bn could potentially be recovered from the state attorney's wrongful procurement of legal services." **FINANCIAL NEWS** Clicks expands retail

footprint to 861 stores Clicks Group announced a turnover increase of 11.9% in the six months to February 2023. "CEO Bertina Engelbrecht said the strong turnover and profit growth were despite mounting pressures on consumer disposable income and increased load shedding. Clicks expanded its retail footprint to 861 stores by opening 21 new stores." – *Business Report* (21 April 2023) "Fifty new stores and 40 pharmacies were planned for the full financial year, with the

longer-term target of operating 1 200 stores. A further 18 pharmacies were opened,

extending the national pharmacy presence to 691."

procurement

19 April that Aspen

Business Day reported on

Pharmacare is pushing for

the creation of a pooled

procurement system for

The launch by companies of more affordable healthcare schemes would likely bring new customers, given Clicks' geographical coverage, said Engelbrecht. Aspen advocates Zulzi adds Advanced Health for pooled pharmaceuticals to expand

Online grocery and delivery

platform Zulzi will be adding

pharmacies and fintech to

its services and "setting up

Zulzi's focus is onboarding

independent pharmacies,

shop outside Gauteng".

Business Live reported

Advanced Health is looking

to expand in SA after selling

off its Australian business.

"The company, valued at

R249-m on the JSE, saw

that day clinic operator

pharmaceuticals in Africa. profit for the period fall by and over time, the offer will 47.7% to R436 000, while introduce medical According to Aspen's head its headline loss per share consultations, connecting of strategic trade, Stavros customers with doctors. It narrowed by 86% to 6c. In Nicolaou, this move would the reporting period, has also introduced a improve supply security and Advanced Health sold feature on its app where increase access to lifeits Presmed Australia customers can upload saving medicines and scripts and pay using business for A\$45.2-m." vaccines. medical aids.

PHARMACEUTICAL NEWS

Pharma industry pushes

for licence to make

generic HIV injection

vaccine alliance Gavi. - Business Day (3 April 2023). The MPP signed sub-licences with Indian generic manufacturers Cipla, Aurobindo and Viatris subsidiary Mylan. Nicolaou questioned the fact that there is not one African manufacturer among them and said African manufacturers find it challenging to get licences from them. WHO launches mRNA vaccine hub in Cape Town Business Day reported on 21 April that the World Health Organization (WHO) has inaugurated its mRNA vaccine technology hub in Cape Town. "WHO Director-General Tedros Adhanom Ghebreyesus and senior health officials will visit the hub for five days, discussing the programme's sustainability, mRNA technology, and its potential use in combating other diseases such as HIV and tuberculosis, which disproportionately affect low-income countries.

"Global pharmaceutical firms, including Pfizer and Moderna, declined to provide the technical know-how to replicate their vaccines, primarily due to intellectual property concerns, prompting the hub to pursue the vaccine independently."

"The home-test kit will work in tandem with a mobile app, HealthPulse TestNow, designed

national database. The test, which has been 18 months in the making, will be on shelves

A test kit to distinguish between flu and Covid-19 should be ready by October this year.

to assist in conducting the test, interpreting the result, and reporting it directly to the

by the end of April and will cost around R50."

**GENERAL NEWS** 

seems challenging.

medical practitioners."

scheme.

GEMS' market share was 19%."

Kalapeng

COUNCIL

FOR MEDICAL SCHEMES

**Circular 14 of 2023:** 

Returns

our publications.

Delays in Annual Statutory

From the April Newsletter:

Covid self-test now available

Cape Town biotechnologist, Ashley Uys, head of Medical Diagnostech, received permission from SAHPRA for the first locally made antigen rapid test kit, reported **Sunday Times** (9 April 2023).

Stravos Nicolaou, chair of Pharmaceuticals Made in SA (PHARMISA), said the dearth of African pharmaceutical manufacturers in the deal recently announced by the Medicines Patent Pool (MPP) was at odds with policies flighted by the US President's Emergency Plan for AIDS Relief (PEPFAR) and the

RWOPS guidelines for Medical Practitioners At a recent meeting between clinical leads of hospital groups and Healthcare Professionals (HCPs) problems regarding remunerative work outside of public service (RWOPS) were discussed. SAPPF CEO Dr Simon Strachan mentioned that there are instances where doctors with admission rights at private hospitals and incumbent for many years, are finding their practices compromised by the amount of time that RWOPS doctors are spending working at the same private hospital. While a broader solution to RWOPS may be necessary to allow doctors with certain skill sets to work in the private sector and that hospitals have the right to ensure they have the correct number and mix of doctors at their hospitals, it is not unreasonable for doctors in the private sector to expect that RWOPS doctors adhere to the guidelines, said Dr

Strachan. Implementing these guidelines and being strict about their implementation

"The role of Clinical Associates assisting specialists in hospitals, doing ward rounds and assisting in theatre has been raised as a concern to the South African Private Practitioner's Association (SAPPF). Clinical Associates are not medical practitioners but are increasingly used in hospitals to support specialists including doing post op ward rounds on behalf of doctors. There are not many rules around Clinical Associates but

"We feel it is our responsibility to make members aware of the role of Clinical Associates and their specific scope of practice. We will continue to engage with funders and hospital groups regarding this issue. Some funders are starting to raise a red flag about funding code 0009 for Clinical Associates assisting in theatre. This code is specific for registered

Closer look at the role of Clinical Associates

there is a clear scope of practice defined by HPCSA

**NEWS FROM MEDICAL SCHEMES** Membership increase, but schemes decrease According to Alexander Forbes Health's latest Medical Aid Insights, there was a 60% growth in principal members of medical schemes (1.5-m more) and a 36% growth in beneficiaries (2.4-m more) between 2020 and 2021. However, over the same period, the number of medical schemes halved from 144 to 73.

– Daily Maverick (5 April 2023)

"This was driven by two factors: the difficulty sustaining smaller schemes and the

"The increase in membership in the 2021 financial year can be attributed to two of the largest schemes in the industry - Discovery Health Medical Scheme and the Government

members, respectively. By the end of 2021, Discovery's market share was 33%, while

gems

**AfroCentric** 

significant amount of management time needed for an employer-based restricted

Employees Medical Scheme (GEMS) - which grew by 22 499 and 22 578 principal

This follows GEMS' decision to divide its 2023 tender for courier pharmacy services between its long-time service provider Medipost and a joint venture between Marara Pharmacy and Pharmacy Direct. Last year, the Council for Medical Schemes launched a probe into a R400-m vitamin contract the scheme awarded to AfroCentric subsidiary Activo Health. CMS announces 'formal inspection' into GEMS tender "The Council for Medical Schemes (CMS) has deepened

its probe into a multi-million-rand vitamin tender awarded

to an Afrocentric subsidiary by the Government

Employees' Medical Scheme (GEMS), with a formal

**Circular 15 of 2023:** 

Update on the Review of the **Prescribed Minimum Benefits** 

inspection now underway," reported Business Day (11

Dely Road takes GEMS to court

Kalapeng Pharmacies' subsidiary Dely Road Courier Pharmacy, which bid but failed to win

a share of a GEMS courier tender, launched an application in the High Court in Pretoria to have the contract declared unlawful, invalid and set aside. It alleged that it was made in

contravention of GEMS' procurement rules. – **Business Day** (5 April 2023)

April 2023).

**CIRCULARS FROM THE CMS** 

New circulars published by the CMS in April 2023:

The investigation follows media reports in May 2022 that GEMS had spent R400-m on a

multivitamin contract with Activo Health, which AfroCentric owns. Medscheme, also a subsidiary of AfroCentric, also raised questions about a potential conflict of interest.

**SPECIAL NOTES** Vacancy for Ophthalmic Assistant in George Opportunity for a positive, hardworking person to become part of a dynamic ophthalmic practice in George. The suitable candidate will work with patients and eye specialists on a daily basis. Requirements: Ophthalmic assistant training and two to three years' experience; fully bilingual; good computer skills; and excellent human relationships. Please email your CV's with two recent referrals and a copy of your matric certificate to: george@ilaser.co.za

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