

Board of Healthcare Funders PRESS RELEASE ON NHI

‘Health Systems Strengthening is Everybody’s Business’ – Let’s Put the Health Citizen First

Johannesburg, 8 June 2023 – The Board of Healthcare Funders (BHF), the largest healthcare funding association in southern Africa representing 7 countries and more than 6.5 million beneficiaries, emphasises that collective strengthening of healthcare systems is everybody’s business. As such, the BHF and its members are committed to building a strong, person-centric healthcare ecosystem that is sustainable, resilient, affordable and accessible to all health citizens.

South Africa's healthcare system remains unequal, with 86 percent of the population currently dependent on a heavily burdened – and in some cases under-resourced – public system and 14 percent funded through medical schemes and also has limitations. The BHF agrees this trajectory is unsustainable.

The 64th World Health Assembly emphasised the need for Universal Health Coverage (UHC) and the United Nations General Assembly endorsed a resolution on Global Health and Foreign Policy, urging countries to accelerate progress toward UHC. South Africa, as with many countries, is working to achieve the global goal of UHC by 2030.

The National Health Insurance (NHI) represents a significant policy shift that aims to eliminate disparities by strategically pooling resources from both the public and private sectors. However, the BHF has raised concerns regarding the translation of policy intent, and believes that the NHI Bill in its current form hinders the achievement of the global Agenda of Universal Health Coverage by 2030. The BHF has identified several anomalies in the Bill that require further attention and alignment with constitutional mastery. The Bill process is not final and as an advocacy group the BHF is geared to participate fully in the various remaining processes, which include public hearings. We urge members of the public and all entities to participate in these processes - all voices matter.

While the implementation of the NHI Bill may take time, the BHF calls on the industry to protect and fight for the health citizens. Waiting passively is not an option - bold leadership is needed to put the needs of the health citizen first.

What is the BHF doing?

It is crucial to recognise that the NHI Bill is not Universal Health Coverage, it is a funding mechanism. A multitude of interventions need to be considered to support the progress towards UHC; such as health systems strengthening, quality standards, governance and management capacity, all require equal attention and will contribute independently to advancing UHC. The funding industry has deep experience and expertise in a number of areas, related to financing, value based care, management and administration, which will be valuable to reforms that lie ahead.

“Medical schemes; managed care organisations and administrators as well as other funders of health are an asset to the ecosystem and are geared to move our country to achieve universal health coverage” says Dr Katlego Mothudi, BHF Managing Director.

The BHF strongly believes that aligning with the principles of Universal Health Coverage is essential to meeting the needs of health citizens. In line with this commitment, the BHF has embarked on a number of projects, including; the implementation of the Health Market Inquiry recommendations. These initiatives aim to reduce the financial burden on health citizens and ensure that their needs are prioritised.

Working collaboratively with its members, the BHF is actively engaged in finding solutions to reduce out-of-pocket payments for medical scheme members. By streamlining processes and implementing measures to enhance affordability, the BHF is dedicated to easing the financial strain on individuals seeking healthcare services.

In line with its commitment to meeting the needs of health citizens and ensuring access to an affordable health system, the BHF has launched a member communication campaign titled 'The Health Citizen.' This campaign provides crucial information channels to empower and educate the health citizens. Additionally, the BHF has developed various tools and initiatives to support member organisations in strengthening the medical scheme and health funding environment to be aligned to the principles of UHC. These include measuring effective coverage – for assessment of health outcomes, benchmarking tools, increasing access to essential medicines lists as per WHO guidelines, and the Cell Captive project to manage high medicine costs.

Furthermore, the BHF has taken legal action against the Council for Medical Schemes (CMS) to challenge its current stance on Low-Cost Benefit Options (LCBOs). This litigation is a step in concluding long outstanding policy implementation and debates on accessibility and quality of healthcare services, particularly regarding the participation of medical schemes in expanding access through lower-cost products. The BHF seeks to lift the moratorium and declare the failure to develop and implement LCBO guidelines as irrational, unreasonable, and unlawful. It has also applied for an exemption to the competition commission to enable the BHF to negotiate pricing, to address affordability and increase access to medical scheme cover. This is in line with the HMI recommendations.

The BHF remains steadfast in its dedication to foster an equitable, accessible, and sustainable healthcare system. Collaboration, innovation, and a patient-centric approach are deemed crucial to achieving these goals. The BHF calls upon the industry to join forces and prioritize the health needs of the population, placing the health citizen at the heart of healthcare reform.

-ENDS-