HealthMan xpedient
PRIVATE PRACTICE REVIEW

EDITOR
Private Practice Review presents market with a selection of the latest news relevant to the local and global private healthcare industry. Our mission is to provide our readers with a concise, easily digestible summary of recent developments affecting the sector, and to offer our readers a platform to express their opinions on issues they consider important. Our aim is to be the most informative and entertaining publication in our field, and we welcome contributions from our readership which we may publish at our discretion. Opinions expressed are those of the contributors and do not necessarily reflect the views of the editor of this bulletin or of HealthMan xpedient. Contact the editor at marelle@healthman.co.za

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FOOD FOR THOUGHT

The NHI debate continues

The end of private healthcare in SA?

The Department of Health has published a comprehensive response to comments received on its National Health Insurance (NHI) proposals, effectively ignoring both directives that the scheme is affordable and short-ending the private healthcare sector, reports **Bonitas/Bonfit (6 July 2023).

"In terms of funding, the latter has argued that mere money is being spent servicing the needs of 10% of the population through private healthcare that refer a spent on the rest of the people through public services. hence, it argues that the money spent on public healthcare is enough.

"The NHI will redistribute money from the current multi-payer system of mine provincial health systems to a single national health insurance fund. Contributions to the NHI fund would only be paid off around appropriate cross-subsidisation between the young and old, rich and poor, healthy and sick.

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'Charade continues'

The anti-private healthcare lobby despite its obscenity, can assure you that there will be no improvements to the healthcare system in South Africa. In fact, the rate at which this system will be destroyed, says **Brian Rosenberg, CEO of Business Leadership South Africa, on **Moneyweb** (13 July 2023).

"Last week a 'fact sheet' (see article above) was distributed about NHI, purported to have been prepared by the National Treasury. It was distributed by the Minister of Health to people at an hitherto-secret meeting of the private healthcare sector.

"The 27 page document has precisely 100 words in the section for how it will be funded.

"It contains no analysis of what the proposed system will cost, referring only to the fact that it will be 'affordable'. It does not say how it will be funded, other than to say it will provide cover of all health services South Africans can expect, but no calculation of what these will cost.

"Nowhere in the document, or the charade is the funding story. While the fact sheet declares the proposed system to be 'inefficient', it seems to believe that removing the private element of it is the way to creating 'allow efficiency'.

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Why the NHI wants your medical scheme premium
*To watch the youtube video by **Bioskilled Centre for Health Journalism**, click on the button below:*

Click here to Watch

'NHI pilot projects show critical fault lines'

"In South Africa, NHI pilot projects in Ethiopia's decline across the country during 2022-23 ". The evidence from a number of NHI pilot projects in South Africa in the public system's overtimes is implement NHI.

Medical Brief (25 June 2023).

"These include shortages in – and the maldistribution of – specialised human resources, inadequate infrastructure, poor information systems, weak governance and management practices, and health information systems that lack quality, coverage and use. Ethiopia's experience with NHI pilot projects has been characterised by weak management," wrote **Prof Fraiser Basquez**, PPS chair in health economics at Wits University.

"Despite these problems, there are also important lessons to be learnt from Ethiopia's experience. The should that the public provider is the backbone of NHI and strong and resilient enough to fully implement the proposed NHI.

Many parts of the NHI which require vague and should be urgently clarified if we are to build a strong and resilient NHI. The NHI Bill does not clarify the role of the private health system under the NHI, the nature of referral networks, or what contracting with or accreditation of providers will mean for the government and private providers.

Potential consequences of NHI's full implementation include the possible mass emigration of health care professionals.

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"Corruption, incompetence ... and the UK's bitter pill

Our poor health is bad hands

Prof Mary-Ann Shea Director

Ron Rose wrote in **Financial Mail** (7 July 2023) that the Minister of Health, Dr Joe Phaahla, and Health Ombud, Jan Pieterse, in those criticisms of NHI are stemming from people who are responsible for the current healthcare system.

Professor Mary-Ann Shea, Director of Health Governance) describes the framing of NHI as a "Trojan horse" to implement a model that poor having quality healthcare, as "complete nonsense and a lie. Mr Pieterse said the NHI was a "Trojan horse" because from the private sector into the public sector, and that the NHI was attempt to the country's healthcare system."

SA may swallow UK's bitter pill

Mr Jan Pieterse

"The NHS and other free-rate medical systems are failing, and other countries really whether that we are a a healthcare system.

Our health sector is already characterising a constitutional obligation is care for large sector, and the private sector is a large basis is a state.

"The NHS is a state-run system, funded by tax government and civil servants, and is free at the point of delivery and provided equally, the Minister's NHIP reported **The Citizen** (6 July 2023).

"Complete nonsense and a lie..."

Prof Mary-Ann Shea Director

Ron Rose

'The NHI debate is throwing up misconceptions'

Reporting the ongoing debate about the NHI Bill, **Ayo Masiza** (4 July 2023) published an article by **Dr Shiva Naidoo**, honorary professor at the University of Cape Town and former Gauteng Health MEC, on the misconceptions around the NHI.

"The majority health expenditure in the private sector is much higher than in the public sector. The statement looks also from medical scheme administration, which accounts for 10% of the population. Medical scheme administration costs are much higher than in the public sector. The private healthcare and unsustainable medical schemes are the main drivers of the cost of healthcare. Medical scheme administration costs are higher than the cost of the NHI. However, medical scheme numbers and beneficiaries have declined without NHI.

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NEWS FROM GOVERNMENT

New payroll tax and income tax hike to finance NHI

"A recently circulated factsheet on National Health Insurance (NHI) has pretty unanswered 30 billion rand question on how the scheme will be funded. Surprisingly, that a payroll tax and a surcharge on personal income will be imposed."
Ferial Haffajee in **Daily Maverick** (6 July 2023).

And it proposes an increase in **Medicare** (NHI) to 2.5% which is the same as the contributions to the Unemployment Insurance Fund (UIF) and structure.

"By raising NHIS tax to rate-based rates just over a 1% payroll tax, and a 1% surcharge on personal income tax, and the averaging of medical aid credits, it fully covers the cost of the NHI. Medical aid members will be taxed twice, first as employers would need to be 0% and increased to personal income tax account on percentage points on the basis."

Most interns, junior doctors finally placed

More than 1 000 medical interns and junior doctors have been placed in state-run medical internship and Community Service posts, the Health Ministry has said. Interns were due to start work on 1 July, reported **Medical Brief** (3 July 2023).

Some 1 000 medical graduates, including some in government hospitals, remained unplaced. Some were placed in community services.

SA-trained nurses to fill vacancies in Germany

Business Day reported on 10 July that the Nursing Council of South Africa (NCSA) is sending nurses to Germany to employ nurses trained in SA to fill vacancies in the German healthcare sector. According to the Democratic Nursing Organisation of SA (Denosa), the NCSA has registered 1 000 nurses and plans to UF certificates to nurses. Training has been completed and they are leaving their employment with South Africa."

Doctors under investigation have contemplated suicide

"A recent poll of 204 physicians by the Medical Protection Society (MPS) found that 52% of respondents had considered suicide, and 8% had contemplated it in the past year, reported Professional Council of South Africa (HPCSA), reported **Timeslive** (7 July 2023).

This study included doctors who underwent investigations by the HPCSA from 2016 to 2022. Of the 204 doctors who underwent HPCSA investigations, 52% had been investigated, and 51% reported that the process negatively impacted their mental health. The doctors noted a presumed guilty until proven innocent attitude increased in the initial phase of the process. The study also found that 51% of respondents felt that the HPCSA investigation negatively affected their mental health, especially since some doctors underwent multiple investigations.

In light of these findings, the MPS called for significant reforms in the HPCSA's process for investigating alleged unprofessional conduct among healthcare providers.

Tembisa staff linked to R1-bn fraud still at work

"Nine senior staff members who are implicated in a tender scandal at R1-bn at Tembisa Hospital are still at work.

"Although they were identified by the Special Investigating Unit (SIU) as implicated in the R1-bn tender scandal, they are still at work.

Medical Brief (4 July 2023).

FINANCIAL NEWS

Life insurers paid out more than R43-bn

According to numerics released by life insurers of their 2022 claims statistics, the life insurance industry paid out R43.3-bn.
Daily Maverick (27 July 2023).

They insure. Old Mutual (R14.1-bn), Discovery Life (R9-bn), Liberty (R8-bn), Sanlam (R6-bn) and Momentum Retail Life Insurance (R6-bn).

The diminishing impact of the Covid-19 pandemic can be seen across the board, with death claims paid out decreasing by between 10% and 20% year-on-year. Sanlam's Ian Bayes dropped to 10% last year. The fall in Jeff De Bruyn and Mark Thomas's claims paid out in 2022 at R19.7-bn was nearly at 30.7% decrease in claims paid out compared to 2021.

"During 2022, Discovery Life paid out a total of R6bn in Covid-19 related claims for death claims. Sanlam reported that Covid-19 still accounted for most extreme income claims. (R7bn in 2022

Increase in unnatural deaths

"Momentum Health has reported a concerning rise in unnatural deaths. – **News 24** (19 July 2023). Mental health claims jumped from both years in 2021 to the first quarter of 2023, contributing 17% of total such disability pay-outs.

"Mental disorders became the third-biggest driver of disability claims for Sanlam (17%).

"Men accounted for 50% of Momentum's unnatural death claims, including accidents, suicides and homicides, and 40% of disability claims for mental disorders. Men also experienced a similar rate in unnatural deaths, reporting in Jane that disorders, poisoning and overuse accounted for 10% of deaths.

Medicinic opts not to pay a final dividend

Business Day reported on 30 June that private hospital operator Medicinic, recently delisted from the JSE, has decided not to pay a final dividend for the year to end-March, for the sake of its effect to prevent reducing the indebtedness and acquisition and growth strategy.

A March Remgro CEO Jannie Durand highlighted the benefits of taking companies private, saying doing so allows it to have better control of costs and keeps it strategic to be competitive and more.

PHARMACEUTICAL NEWS

Alzheimer's drug gets full US approval

5 new African countries to receive malaria vaccines

Bloomberg News reported on 21 July that the US Food & Drug Administration (FDA) has granted full approval to Eisai and Biogen's drug Leqembi, developed by Japanese drugmaker Eisai and US biotech company collaboration with Biogen.

Eisai said it will now seek approval for the programme of Alzheimer's disease. Leqembi is expected to be given full approval and will offset.

Reuters reported on 20 July that Global vaccine alliance Gavi will provide 15 million doses of malaria vaccines to children in five African countries. Malaria remains a major cause of death and illness, killing nearly half a million children in Africa last year. The Gavi board approved the plan to roll out the vaccine in Burkina Faso, Cameroon, Liberia, Mozambique and Nigeria, the World Health Organisation (WHO) – which has said it is "ready" to work with Gavi and expected to reach the first children in October during the last quarter of 2023.

GENERAL NEWS

Unsafe water and sanitation to blame for 1-in-5 deaths

Sweetener to be declared a possible cancer-causer

NEWS FROM MEDICAL SCHEMES

'RAF cutting its nose to spite its face'

***The unacceptable stance taken by the Road Accident Fund (RAF) that it will not pay claims or pay past medical expenses paid by medical schemes is cutting its nose to spite its face, says Dr Ron Lewis, the back work of Bonitas Medical Fund, Bonitas Medical Fund, Bonfit, Medshield and the Supreme Court of Appeal has refused to entertain the RAF's attempt to do so in a recent judgment.**
Business Day (5 July 2023).

"The underlying reason for the RAF's medical aid members are worthy of rights guaranteed by the and Administrating. Final interpretation, Amendment Act, Section 19. The RAF has taken its hopeless case to the Constitutional Court. In the interim, the entity continues to underpay and delay medical claims.

According to Discovery Medical Aid, which has the largest medical aid scheme in the industry is being about R2-m a day due to the RAF's ill-fun drive.

- Meanwhile, the RAF – despite collecting more than R40-bn annually in fuel levies – is insolvent. Its liabilities heading ratio from R20-bn in a couple of years.

Affordable medical schemes: CMS has to provide records

The Council for Medical Schemes, which has been accused of blocking the collection of medical aid data and prior to an effort to make the NHI seem more appealing and palatable, has been ordered by the High Court to provide reasons for its decisions within 10 days.

"The Council for Medical Schemes (CMS) has an interim order by the Gauteng High Court (Pretoria) on 10 July as part of a bigger case arguing that the regulator's decision to refuse to provide medical scheme data to the Health Ombudsman (HO) and to be requested the entire record from CMS for its decision and refusal.

"It has been more than seven years since the CMS began to develop a legal framework to enable medical schemes to offer low-cost benefit options (LCBOs) that would be exempt from providing the full, costly suite of benefits stipulated by the Medical Schemes Act.

momentum health

Healthcare insurance
The private sector is best positioned to provide healthcare insurance to the entire population, says **Momentum Health's** executive head Dr Ramaphosa Mmutlane. "The most effective way to through healthcare insurance outside of the public sector is through medical aid insurance products, primarily focused on the middle income market, which cover the compulsory prescribed minimum benefits and top-up benefits through their medical aid providers charges." reported **News24** (11 July 2023).

"Medical aid schemes are the only entities provide coverage for the entire population, including those who do not have medical aid and can select comprehensive benefits.

Cutting back on cover
According to Bonitas Medical Fund, Bonitas Medical Fund, Bonfit, Medshield and the Supreme Court of Appeal has refused to entertain the RAF's attempt to do so in a recent judgment. "Medical aid schemes are the only entities providing coverage for the entire population, including those who do not have medical aid and can select comprehensive benefits.

Bonitas
Medical Aid for South Africa

BHF
Medical Aid for South Africans

CIRCULARS FROM THE CMS

New circulars published by the CMS in July 2023

October 23 of 2023:
Guidance to medical schemes on the p...

October 24 of 2023:
Guidance to medical schemes to go hand in hand with and EDIFA.

October 25 of 2023:
Amendments to the Rules of Medical Schemes in the Rules of Medical Schemes.

October 26 of 2023:
Financial Annual Return Returns 2022 – deadline extended to 31 July 2023.

SPECIAL NOTES

Psychiatric Practice in Sandton
Busy general psychiatric practice sandwiched in Sandton Medical Centre, Rivonia Road, Sandton.
Office space also in charge general circumstances.
Please contact administrator on:
info@gmcsa.co.za

General Practitioners / Family Physicians

- Family practice (GP) or Family Medicine (FM) Practice
- A Fellow qualification in Family Medicine (Non-Specialist)
- Passion for Primary Healthcare
- Passion for Quality and Efficiency of Care
- Interest in Quality Improvement Initiatives, Innovation and Research
- Interest in practice within Ignite Family Medicine's model of practice (Ignite is a group practicing and Underpaid Hospital and Primary Healthcare)

Interested parties can WhatsApp or Email Dr Jonathan Lazarus

National Family Practitioners Congress
The 20th Annual National Family Practitioners will be held from
15 – 18 August at the Mandela Gold Mines

The theme of the conference is
Integrating Primary Healthcare into universal health and care systems

For more info, visit the website at:
2023 Conference – South African Academy of Family Physicians (SAAFP)

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