

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, employees and associates.

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 (\rightarrow) FOOD FOR THOUGHT



Report shows doctors are fiercely opposed to NHI

A recently released report by the Solidarity Research Institute (SRI) indicates how deep-seated medical professionals' distrust of NHI plans is.

Healthcare workers indicated that they now have far more knowledge about the NHI and, in light of that, their disapproval of the NHI has increased sharply.

An overwhelming 99% of the respondents are also deeply concerned about the government's ability to administer and manage the NHI.

Participants in the study came from diverse medical professions and demographic groups. While more than half of them recognise the unaffordability of medical schemes for the majority of citizens, they are, for various reasons, concerned about the impact of NHI as a substitute.

- 94% of the respondents believe the successful implementation of the NHI is unlikely;
- Only 3% believe the government has consulted properly with stakeholders about the NHI; and
- Only 2,9% believe all citizens will have access to high-quality healthcare under the NHI.

To read the full report:

Read full report

HOWEVER...



Private healthcare sector a 'national asset', says Gore

SA's private healthcare sector should be regarded as a "national asset" given the scale and quality of the care it provides to the almost 9-m lives covered by open and closed medical schemes in the country, according to Discovery's CEO Adrian Gore. – News24 (21 September 2023)

"The roughly R260-bn spent on the private healthcare sector in SA each year provides medical scheme members access to more than 42 000 hospital beds spread across 838 private facilities. Gore said this system should not be messed with, and it is suitable for collaboration in the context of the NHI.

He described the NHI Bill as a "critical piece of legislation" that would likely take a "decade or more" to implement effectively. However, he said its main "pinch point" was the so-called section 33, which states that once the NHI is fully implemented, privately funded medical schemes will only be allowed to cover healthcare not provided for by the NHI.

"To rake in the extra R200-bn needed for the NHI, would require a 31% increase in personal income tax, or a 6.5 percentage point hike in the VAT rate from 15% to 21.5%, or a tenfold increase in payroll taxes."

Gore believes that, should the NHI in its current guise come to fruition and effectively bar privately funded medical schemes from covering health costs already covered by state-provided universal healthcare, the country's employed population would be left worse off."

To read more, click on the button below:

Also read:

Let's put constructive solutions on the healthcare table Nicola Theron (Business Day, 22 September)





Finance Minister sceptical about NHI

MedicalBrief (13 September 2023) reported that Finance Minister Enoch Godongwana admitted he would prefer to invest in government-run hospitals and healthcare infrastructure rather than **National Health Insurance**, and that he was still unsure how the **NHI** would work as the Bill passed by the National Assembly "is missing a lot of things".

In particular, it is missing a source of funding that is sustainable, he said.

Godongwana's concerns align with a recent report compiled by the **Solidarity Research Institute** (SRI), which noted that the NHI plan would require an additional R300-bn that the country's strained budget and taxpayers cannot afford, reports **BusinessTech**.

(\rightarrow) NEWS FROM GOVERNMENT

Unemployed doctors frustrated with HPCSA



Unemployed SA doctors who have been trained abroad are becoming increasingly frustrated with the Health Professions Council of South Africa (HPCSA), which has failed to offer board exams that would allow them to get jobs – because of an expired contract – and which ignores emails and does not bother to respond to them, reported *Medical Brief* (13 September 2023).

"Around 250 of the jobless doctors from around the country – all trained in countries like China, Italy, Mauritius and Russia – marched to the HPCSA offices in Pretoria to hand over a memorandum, claiming that since 2020, hundreds of foreign medical graduates have applied to write the exams that would allow them to start practising here. - (*News24*).

Not a single one was invited to write it, they said.

"HPCSA head of department, David Mametja, apologised to the doctors, saying they hoped to conduct a round of pre-internship theory and practical examinations before the end of this year."

Over 2 000 posts created for graduate doctors



Health Minister Joe Phaahla recently told Parliament that over 2 000 posts have been created this year for graduate doctors.

"Since January, 2 974 posts for medical doctors have been advertised and filled - compared with 2 053 posts in 2022. The additional posts were funded to accommodate unemployed medical doctors."

However, Phaahla said, not all graduate doctors applied for positions after completing community service due to their personal preferences. - Eyewitness News (25 September 2023)

Pharmacists: assistent graduates 'sent home'

In the Eastern Cape 6 out of 12 pharmacy assistant graduates – who signed contracts to start working for the provincial Health Department in August – were told their appointments were "erroneous" and unauthorised and sent home. According to Health Department spokesperson, Mkhululi Ndamase, the process of employing the post-basic pharmacist assistants on the internship programme had not yet been finalised.



Court orders Health Minister

to act on fraud report The Gauteng High Court in Pretoria has ordered Health Minister Joe Phaahla to act on a R1.2-bn corruption report after the Minister's alleged attempts to conceal the widespread fraud, reported **News24** (25 September 2023).

"Phaahla was also slapped with a cost order for the application and ordered to explain what happened to an October 2020 forensic probe that unearthed large-scale graft by the North West Health Department."

According to the report several laws were broken when awarding 22 companies security contracts in September 2019.



3 449 patients awaiting orthopaedic surgeries

Dr Joe Phaahla told Parliament that 3 449 patients are awaiting orthopaedic surgeries in five South African provinces, reported *Spotlight* (17 September 2023).

Waiting times for elective surgeries like hip replacements, femur breaks, and joint replacements vary from a few days to over five years, depending on the province.

Some progress, such as public-private partnerships in Limpopo and the appointment of orthopaedic surgeons in Mpumalanga, has been made, said Phaahla, but the challenges remain significant.

\rightarrow FINANCIAL NEWS

Call for healthcare to be spared further budget cuts In an open letter to government, the Progressive Health Forum (PHF), a group of experienced health activists, warned that any more reductions to the health budget could have disastrous effects on public health services, affecting millions of patients severely. – *Business Day* (13 September 2023).

"The PHF criticised the government for ignoring budget limitations when finalising the 2023 wage agreement with unions and subsequently passing the repercussions of these ill-advised decisions onto vulnerable individuals dependent on public services.



Competition watchdog probes whether J&J overcharged for TB drug

News24 reported on 15 September that the Competition Commission is investigating whether pharmaceutical company Johnson & Johnson (J&J) overcharged South Africa for the lifesaving tuberculosis (TB) drug *bedaquiline*.

The commission will compare the price SA paid for the drug (R5 400 per patient for a sixmonth course of the medication} with what other countries were charged.

Health advocates have questioned why SA is paying about twice as much as other lowand middle-income countries after J&J's announcement that it would be slashing the price of bedaquiline to \$130 (around R2 460) for these countries.



Soaring market for diabetes drugs to lose weight

The pharmaceutical company Novo reported that sales of its obesity drug, Wegovy, are surging. "Last year, Novo generated nearly \$2.5-bn in sales from Wegovy and Ozempic, its diabetes treatment," reported *Reuters* (21 September 2023).

- Novo's market capitalisation increased to \$420-bn, making it Europe's most
- valuable company.
 Lilly, with its diabetes treatment called Mounjaro, has seen its market
- value nearly double to over \$500-bn in less than 18 months.

However, this revolutionary shift in public health could have adverse effects on companies which dominate a global snack market currently generating over half a trillion dollars in annual revenue, according to *Fortune Business Insights*.

Remuneration must be satisfactory for service providers In a panel discussion at the HASA conference in Cape Town, Dr Simon Strachan, CEO of the SAPPF, emphasised that healthcare remuneration must be satisfactory for service

providers. This follows a submission by **Business for SA** (B4SA) and **Business Unity SA** (BUSA)

to the National Council of Provinces' (NCOP) select committee on health & social services requesting changes to the NHI Bill. "An analysis by FTI Consulting for BUSA and B4SA indicated that, to cover an estimated R200-bn annual deficit, the government would need to increase VAT from 15% to 21%,

raise personal taxes by approximately one-third, or implement a payroll tax exceeding R1,500 for every non-agricultural employee." – **Business Day** (19 September 2023).

(\Rightarrow) PHARMACEUTICAL NEWS

'Has BioNtech abandoned plans for vaccine factory?'



Bloomberg reported on 24 September that BioNtech is revising plans to build a manufacturing network of vaccine plants in three African countries just over a year after breaking ground on the first facility in Rwanda.

The move comes after BioNTech shipped six containers to Kigali, Rwanda, in March as part of a programme to help ensure people on the continent have equitable access to the mRNA technology. In December 2022 BioNtech said that it plans to ship BioNTainers to Senegal and potentially South Africa. as part of a push toward a "decentralised and robust end-to-end manufacturing network in Africa".

In response to questions, BioNTech said its "goal of helping to democratise access to innovative medicines remains unchanged".



Many decongestant cold medicines don't work

According to a recent report from the United States, it might not be worth buying over-the-counter (OTC) medicines containing *phenylephrine*, reported **Daily** Maverick (15 September 2023). "The report claims *phenylephrine*, a common ingredient in cold medications, is ineffective. Now, the FDA must determine whether to remove products containing this ingredient from the market or allow companies to replace it with alternative ingredients. *Phenylephrine* is present in American products like Tylenol, Mucinex, and Benadryl and in South African products like Rinex, Corenza C, Ventolin, and MedLemon."



Aspen to produce insulin for Africa

Reuters reported on 19 September that Novo Nordisk has enlisted Aspen Pharmacare to manufacture human insulin in SA, to be exported to African nations through a cost-effective government procurement system. In terms of the contract, 16-m insulin vials will be produced next year, corresponding to the annual insulin needs of 1.1-m people with type 1 and type 2 diabetes.

"Currently, Novo serves 500 000 individuals with diabetes in Sub-Saharan Africa, and the projected insulin output will satisfy the yearly requirements of 4.1-m individuals across the continent by 2026.

(\rightarrow) GENERAL NEWS

Who should get a Covid vaccine?



Reuters reported on 13 September that there is broad consensus among doctors that seniors, immunocompromised and pregnant people should receive at least an annual Covid-19 vaccine to protect them against the virus. Many doctors also believe the vaccine should be recommended annually for everyone.

"Doctors have said that a second episode of Covid-19 could rekindle prior long Covid or worsen ongoing symptoms, and vaccination could help protect against that."

Meanwhile, the US Food and Drug Administration has authorised updated Covid-19 vaccines from Pfizer and its partner BioNTech and Moderna as the country prepares to start an autumn vaccination campaign.



Big Pharma turns to Al

Major pharmaceutical companies are increasingly using artificial intelligence (AI) to streamline and enhance the drug development process, which traditionally is costly and lengthy, reported *Reuters* (25 September 2023).

Companies like Amgen, Bayer, and Novartis have started using AI to scan extensive health data to identify potential trial patients, sometimes halving the recruitment time.

"The FDA is cautious, emphasising that while AI may enhance the clinical trial process, the drug safety and efficacy standards won't be altered. The potential of AI in the pharmaceutical industry is vast. However, its effectiveness largely depends on the quality and accessibility of health data, and the technology still requires careful oversight and regulation."

 (\rightarrow) NEWS FROM MEDICAL SCHEMES



Discovery Health's legal battle with the Road Accident Fund (RAF) over the right of medical schemes to receive reimbursements for previous medical costs has taken a hit,

reported Business Day (25 September 2023).

"The North Gauteng High Court denied Discovery's request to appeal a decision made in June stating that the RAF isn't obligated to immediately address valid claims from medical scheme members until the Constitutional Court resolves the matter."

In the past medical schemes were reimbursed by the RAF after covering the medical bills for their members involved in road accidents. This came to an end in August when the RAF declared it won't cover past medical bills submitted by medical scheme members.

On 19 September **Business Day** reported that the RAF Amendment Bill, which includes provisions that could significantly increase medical scheme premiums, might force the industry to offset the risk of members not being covered by the scheme.

If passed in its current form, the Bill would eliminate the reimbursement of expenses paid by medical schemes/insurance, leading to a substantial increase in premiums for all medical scheme members, according to the Personal Injury Plaintiff Lawyers Association (PIPLA). The association plans to oppose the Bill.

> ALSO READ SAPPF's August NEWLETTER Update on Road Accident Fund Legal

TymeBank rolls out medical insurance aimed at domestic



Road

Fund

Accident

workers

"TymeBank has formed a partnership with the National HealthCare Group to provide an affordable primary healthcare insurance solution to third-party beneficiaries, such as domestic workers, for as little as R139 per month, reported **News24** (20 September 2023).

"To apply for a TymeHealth policy, employers need to open a TymeBank account, access the medical cover option through the TymeBank app, and enroll their employees as members.

"The National HealthCare Group is a fully accredited healthcare administrator and managed care organisation with a focus on granting South Africans access to reasonably priced healthcare services through a network of over 12 000 healthcare professionals, pharmacies, and other providers. Its shareholders include ARC Health, a subsidiary of African Rainbow Capital Investments, an investment firm founded by Patrice Motsepe."

Government makes it difficult to implement low-cost schemes



According Discovery CEO, Adrian Gore, existing regulations make it difficult to introduce a low-cost medical aid scheme. - **Business Times** (24 September).

"Currently, the government has imposed limits on medical scheme coverage, and the industry is advocating for a relaxation of these rules to enable individuals with lower incomes to access private healthcare."

Gore said Discovery Health's non-medical scheme products, including Flexicare, Gap Cover, and Healthy Company, are performing well, accounting for almost 15% of total Discovery Health revenue.

 Discovery Health Medical Scheme announced an average hike of 7.5% in its tariffs from January 2024.

(\rightarrow) CMS CIRCULARS

CMS COUNCIL FOR MEDICAL SCHEMES	w circulars published by the CMS in September 2023:
Circular 31 of 2023:	Circular 32 of 2023:
Induction Programme for Trustee	s SANAC HIV TB and STI semi-annual data

(\rightarrow) SPECIAL NOTES

Exciting opportunity for ophthalmic surgeons

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