



PRIVATE PRACTICE REVIEW

NOTICE 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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# **FOOD FOR THOUGHT**

## **Government stays** committed to NHI policy

In his Budget Speech, delivered on 21 February, Finance Minister Enoch Godgongwana announced that Treasury has set aside a revised estimate of R267.3bn for consolidated health expenditure this year. This will rise to R271.9bn in 2024/25. The consolidated health budget then increases to R281.1bn in 2025/26 and R295.2bn in the outer year, representing baseline reductions of R23.7bn over the medium term. - Mail & Guardian (22 February).

policy. There remains a range of system-strengthening activities, that are key enablers of an improved public health care system, that must be undertaken," reported **Daily** *Maverick* (21 Feb 2024) Such activities include: Building a national health information system and digital patient records;

"The allocation for the NHI is a demonstration of the government's commitment to this

- Upgrading health facilities and improving quality of care to ensure that they meet the minimum criteria to be certified and accredited for contracting under NHI; • Strengthening facility and district management in preparation for contracting; Granting semi-autonomous status for central (and potentially other)
- hospitals; and Developing reference prices and provider payment methods for hospitals. Many of these activities are already under way but require further

development before the NHI can be rolled out at scale."

Godongwana stated there would be **no tax proposals for NHI in the short term**. The Health Department previously said a surcharge on personal income tax and a payroll tax would be needed to find R200bn to supplement public sector funding sources. Medical scheme tax credits remain unchanged with no provision for inflation, a

scheme tax credit remains R364 per person monthly, for the first two members, and R246 per month for additional members. Also read: Big NHI tax allayed (The Citizen 22 Feb 2024)

measure expected to raise about R6bn in revenue over the medium term. The medical

Who will fund Gauteng to buy private hospitals?

### into public hospitals. - News24 (21 Feb 2024). These hospitals are supposed to be ready in time for the National Health Insurance (NHI)

During his State of the Province Address, Gauteng Premier Panyaza Lesufi announced that the Province would be purchasing 18 private hospitals to be converted

scheme, but "who or even what" will actually fund the transaction, remains a mystery. Lesufi said: "With the assistance of the Workers' Investment Portfolio, we have just signed an agreement that will see the Gauteng Government buying back 18 private hospitals in our province, and we will convert them into public hospitals so that we are ready for the NHI. This investment with the National Workers Fund, we believe will go a long way to

the Free State) in **Business Times** (25 Feb 2024).

are effectively held in trust by these schemes".

"The hope is for the Treasury to provide clarity and a

sustainable path forward. Meanwhile, South Africans wait,

"News24 reached out to Lesufi's office to establish who exactly would be funding the purchase of the hospitals, but the office referred *News24* to the Department of Health. However, the Department of Health sent News24 back to the Premier's office to clarify."

SA urgently needs clarity on NHI funding Where could the money for implementing NHI come from? **Budget Planning** asked Larisse Prinsen (lecturer in law at the University of

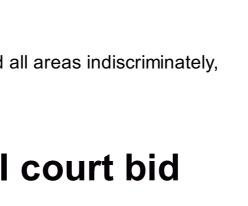
According to former Discovery Health CEO, Ryan Noach, legal protections are in place to guard against the nationalisation of medical scheme funds, "as they are voluntary contributions by medical scheme members that

hoping the steps taken will avoid unintended consequences compromising other socio-economic rights." NHI is the 'will of the people' At the recent SA Medical Association (SAMA) conference Dr Lwazi Manzi, the Head of the Secretariat for the AU Covid-19 Commission, said South Africans were confident in the Government's commitment to achieving fairness by enacting the NHI Bill - News24 (17 February 2024). "Manzi emphasised that the establishment of the NHI fund reflected the desires of the South African people, a sentiment that should be honoured. However, it is worth noting that the association has publicly disapproved of the current version of the NHI Bill."

## healthcare budget injures all

#### Solidarity loses its NHI court bid Business Day reported on 29 February that the High Court rejected the Solidarity Trade Union's attempt to dismantle the National Health Insurance (NHI) Bill before

Pres Cyril Ramaphosa signs it into law.



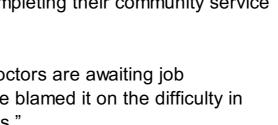
"Judge David Unterhalter found the Government's actions lawful, supporting the notion that, preparing for significant legislative changes before their official enactment, is prudent and necessary for effective public administration.

'Doctors on streets while patients die in queues'

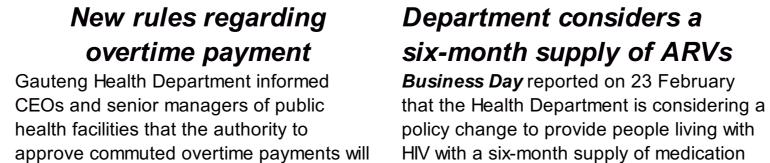
These were the words of roughly 100 medical professionals used in their protest at the

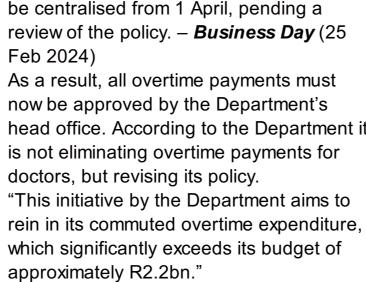
Union Buildings on 26 February. "This protest followed a statement from Health Minister Joe Phaahla who, in reaction to President Cyril Ramaphosa's State of the Nation Address, promised to reveal strategies

#### highlighting their pleas for stable employment with complete salaries and benefits and calling for creating a database for healthcare workers completing their community service to ensure their proper placement.



"Recently the Health Minister confirmed that 645 junior doctors are awaiting job placements after their community service in December. He blamed it on the difficulty in funding new positions due to escalating employment costs."







as it seeks to boost the number of patients

According to Health Minister Joe Phaahla

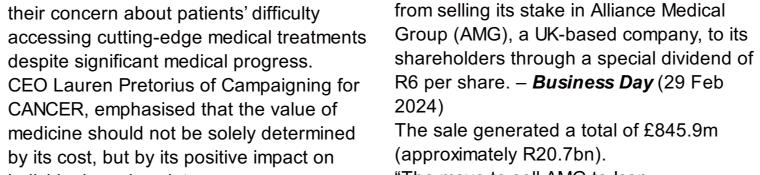
providing patients with pills for six months

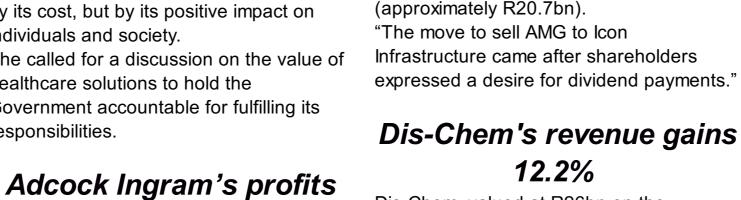
instead of a supply of one to three months

would help people stick with their treatment.

on treatment.

'Battle between death and Insolvency' Delegates at the SAMA conference voiced their concern about patients' difficulty





Dis-Chem, valued at R26bn on the

Johannesburg Stock Exchange (JSE,) announced a 12.2% growth in revenue

1 September 2023 to 28 January 2024

compared to the same period last year. -

Business Day (25 Feb 2024). This was

fuelled by increases across its retail,

wholesale, and external business

2024)

from

segments.

has experienced limited profit growth in the six months ending December. The company, known for products such as Panado painkillers and Corenza C coldand-flu medication, said that a challenging market, supply issues due to delays at South African ports, and decreased sales from antiretroviral drug tenders led to a drop in organic sales. - Business Day (21 Feb 2024) PHARMACEUTICAL NEWS

stagnate

Pharmaceutical company Adcock Ingram

"Following a trading update released on 23 February, DIS-Chem's stock price saw its most significant rise in nearly four months, climbing 3.53% to close at R30.23.

# Health Department warns against 'misleading' vaccine

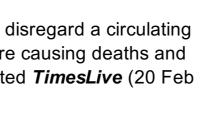
reducing waiting times from hours to seconds.

# posts

effectiveness of medicines in the country."

**GENERAL NEWS** 

vaping, they buy them for their kids.



**Vaping: Draft** legislation on its way

The draft legislation proposes that smoking and vaping be banned in all public areas; whatever applies to tobacco products - like no smoking in public areas - will also apply to electronic cigarettes and heated tobacco. Advertising will also be banned.

Although there are currently no laws that govern vaping, new legislation is on its way –

Phaahla will green-light more affordable healthcare plans, previously hindered by Government actions," reported Chris Bateman in Financial Mail (22 Feb 2024). Medical schemes are pushing for budget-friendly options to be exempt from CMS regulations to compete with insurance offerings, advocating for a reduction in the

mandatory minimum benefits and for setting upper limits on specialist fees, which often

Meanwhile, Minister Phaahla admitted that there are legal concerns regarding these

affordable options, estimating a resolution timeline in months rather than years.

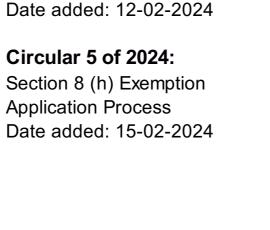
"The medical funding industry is keenly watching to see if Health Minister Joe

# CMS COUNCIL FOR MEDICAL SCHEMES Circular 4 of 2024:

International Financial Reporting Standard (IFRS)17 – Statement of Financial Position

exceed the rates covered by schemes.

years.



Circular 8 of 2024: General concerns noted during the analysis of the 2022 AFS and ASR Date added: 27-02-2024

Circular 6 of 2024:

Circular 7 of 2024:

Date added: 20-02-2024

Date added: 20-02-2024

(SANAC)

Request for HIV, TB and STI data for

Real-time monitoring (RTM) for 2024

the South African National Aids Council

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# make sure that our health system is improved in our province.

"Making life-and-death decisions based on financial constraints is a reality for doctors following a R1.5bn reduction in the Western Cape's health budget over the past year," reported News24 (16 Feb 2024). "The budget cuts have led more than 1,000 health workers to issue an open letter pleading with both the Provincial and National Governments to reconsider their decision, which has plunged health services into severe austerity. "The hiring freeze implemented in the last quarter affected all areas indiscriminately, including nursing overtime and agency budgets.

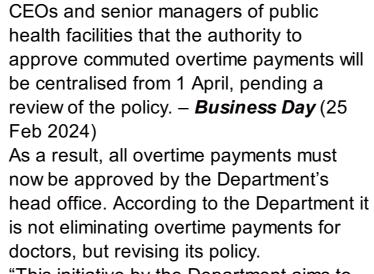
**NEWS FROM GOVERNMENT** 

Reduction in

"Solidarity's challenge wasn't entirely fruitless, as they succeeded in affirming their legal standing to question the hiring practices for the NHI preparation, indicating their intention to continue challenging the NHI on various grounds. "Despite the setback, Solidarity's deputy CEO, Anton van Bijl, expressed the union's persistent commitment to opposing the NHI initiative, viewing the court's decision as the

start of a broader battle over healthcare in South Africa."

and schedules for hiring healthcare personnel, including newly graduated health experts and jobless doctors," reported News24 (26 Feb 2024). "A memorandum was presented to a representative from the President's office,







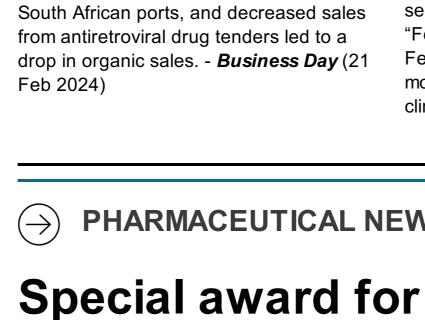
Life Healthcare to pay

R6/share special dividend

Life Healthcare will distribute the proceeds

from selling its stake in Alliance Medical

#### The sale generated a total of £845.9m individuals and society. She called for a discussion on the value of healthcare solutions to hold the Government accountable for fulfilling its responsibilities.





"The Health Department has issued a warning to the public to disregard a circulating voice note that falsely claims vaccinations against Covid-19 are causing deaths and suggests using an unapproved product for prevention," reported *TimesLive* (20 Feb 2024). "The public is advised to ignore such misleading information. It was also noted that the product mentioned, activated charcoal, lacks authorisation from the SA Health Products

Regulatory Authority (SAHPRA), which is responsible for ensuring the safety and

special medal as part of the 10-year celebration of the Africa Prize for Engineering Innovation, reported *Daily Maverick* (26 Feb 2024).

Neo Hutiri founded Pelebox, a digital platform for efficient medication distribution, after experiencing firsthand the inefficiencies of medication collection at public clinics while undergoing treatment for TB. The service simplifies the collection process, significantly

"With 123 lockers already deployed across several regions and plans for expansion

healthcare services more accessible and efficient across the continent."

supported by the African Continental Free Trade Area, Hutiri's vision extends to making

"A short while ago, vaping was a cool thing to do. Vaping simulates smoking by creating a fine mist of vapour from a blend of nicotine, chemicals and flavouring. It began as a means to get nicotine addicts off traditional cigarettes." **Bhekisisa** – (25 Feb 2024).

However, "it has sucked in a new breed of young smokers – attracted to the colours, fruity smell and sweet taste of vapes". As parents are less informed about the harmful effects of

# the Tobacco Products and Electric Delivery Systems Control Bill. **NEWS FROM MEDICAL SCHEMES**

**Affordable healthplans:** 

All eyes on Minister

of Health

#### The Board of Healthcare Funder's (BHF) attempt to get an exemption from the Competition Commission for collective bargaining has been stalled by politics for over two **CMS CIRCULARS** Circulars published by the CMS in February 2024

**SPECIAL NOTES**