National Health Insurance
Background Brief

NHI in South Africa in 2010

The purpose of this series of policy briefs on National Health Insurance (NHI) and the related IMSA web-site is to put in the public domain material and evidence that will progress the technical work of developing a National Health Insurance system in South Africa. This includes tools for costing NHI and evidence on where savings could be achieved in moving to a future mandatory system with universal coverage.

An initial background brief covered NHI developments from the 1940s up to December 2008 and a separate brief provides resources on the debate around mandatory insurance in South Africa during 2009. This brief on developments in 2010 will be added to throughout the year.

1. Government Documents on Proposed National Health Insurance

The ANC proposals were handed to the Department of Health for further development in late June 2009. There are no documents by Government in the public domain on the current NHI proposals under development. The Ministerial Advisory Committee (MAC) on NHI has begun to meet.

Establishment of NHI Advisory Committee [from NHI in South Africa in 2009]

The Government Gazette GG32564 of 11th September 2009 announced the formation of the National Health Insurance Advisory Committee. It will advise the Minister of Health on the development of policy and legislation relating to the introduction of NHI. It provides for the appointment of a committee, its terms of reference and for remuneration of committee members.


The appointments to the NHI Advisory Committee were announced on 5 November 2009 by the Minister of Health. The Committee is chaired by Dr Olive Shisana. Health-e News provided a short summary of the experience of each of the 25 committee members, see:


Statement by the Minister of Health, Dr Aaron Motsoaledi, on the National Health Leaders' Retreat 2010 [See also report under Research: Kaiser Family Foundation]


“We gathered as the National Health Leadership together with International Experts from more than eight different countries¹ chosen because those countries have experience in dealing with many of the major health policy challenges we, as South African, are also faced with. Specifically, we worked on developing a shared vision and collective purpose on how we as the national health leadership will drive our priority health agenda for the next five years. As you are aware, these priorities find

¹ “International experts from Senegal, Ghana, Brazil, Mexico, Netherlands and the United Kingdom on public health …” http://www.doh.gov.za/docs/pr/pr0125-f.html
expression in the 2009 - 2014 Ten Point Plan. We specifically recognized and recommitted to the priorities of the National Health Insurance (NHI), full implementation of the National HIV and AIDS Plan, an improved Quality and Efficiency across the public health system. We determined that the yardstick against which our plans and progress should be measured are expenditure control, equity and efficiency. ...

We also recognized that while we are progressing on national macro-policy priorities such as the NHI, we must effect immediate and evident improvement in Quality and Efficiency particularly at Primary Health Care level. ... We, as the national health leadership, resolved to proceed with transparency and accountability recognizing the need to balance short-term deliverables with our long-term policy priorities.”

**Parliamentary Portfolio Committee on Health**

Members of the Portfolio Committee:  

“Portfolio committee marks four key health areas”  
Source: Slindile Khanyile: Business Report, 2 February 2010  
[http://www.busrep.co.za/index.php?fSectionId=561&fArticleId=5335164](http://www.busrep.co.za/index.php?fSectionId=561&fArticleId=5335164)

“The parliamentary portfolio committee on health has four priorities this year: monitoring the private healthcare sector closely, pushing for the National Health Insurance (NHI), regulating traditional healers and ensuring South Africa is ready for health emergencies during the World Cup. Chairman Bevan Gqwana said that the committee would conduct an oversight study to understand what was happening in the private healthcare sector. .... Gqwana said the committee was expecting the Department of Health to deliver a policy document on the proposed NHI next month. He said the committee wanted to make sure that it succeeded and was listening to quite a few people from other countries who were sharing how they had done it. He said that South Africa was unique in that there were huge inequities in the health system and the NHI must address that. The NHI implementation plan is expected to be ready by July. …”

**National Planning Commission**

The Minister in The Presidency for National Planning, Trevor Manuel, has called for nominations for the National Planning Commission (NPC). Applications for the NPC secretariat are also are also called for and can be made electronically.


### 2. Political Party Views of National Health Insurance

None included yet. Likely to have new material once Government releases a document for discussion.
3. Stakeholder Perspectives on NHI

3.1 Treatment Action Campaign (TAC) and AIDS Law Project (ALP)

A document from the AIDS Law Project entitled “Rethinking health reform” has a useful summary of developments in recent years:

The document includes a history of the workings of the ANC’s NHI Committee and the DBSA Health Roadmap process. The document deals with the failure of parliament to process the Medical Schemes Amendment Bill in 2008.

3.2 Institute for Democracy in Africa (IDASA)

“Idasa is an independent public interest organisation committed to promoting sustainable democracy based on active citizenship, democratic institutions, and social justice.”
http://www.idasa.org.za/

Report on the NHI Roundtable Hosted by Idasa on 19 January 2010, Cape Town

“Idasa hosted a roundtable on the 19th of January 2010 in order to generate debate amongst a range of stakeholders on some of the key questions related to the proposed system. It was hoped that the setting would promote a frank exchange of differing opinions and pave the way for further interaction between stakeholders in the coming months.”

“Idasa’s envisaged future role in the NHI process will be to create further opportunities for multi-stakeholder engagement. We believe such engagement can foster trust between stakeholders and contribute to the broad ownership of health reform in South Africa. We believe such trust and ownership are necessary conditions for the success of health reform.”

The report can be downloaded from:
http://www.idasa.org.za/ gbOutputFiles.asp?WriteContent=Y&RID=2765

3.3 Health-e News

“Health-e is a news agency that produces news and in-depth analysis for the print and electronic media. Our particular focus is HIV/AIDS, public health and issues regarding health policy and practice in South Africa.”
http://www.health-e.org.za/

Health-e partners are:
- The Atlantic Philanthropies: www.atlanticphilanthropies.org
- The Open Society Foundation: www.osf.org.za
- Johns Hopkins International: www.jhintl.net

Health-e “will publish opinion pieces from various stakeholders and experts on National Health Insurance.”
3.4 Amandla! “Taking Power Seriously”

Amandla! is published by AIDC which “aims to strengthen the movement for social justice through the production of alternative knowledge and by enhancing the institutional capacity of Peoples’ Media Organisations and the communication capacity of progressive civil society organisations that facilitates a dialogue giving voice to the poor and marginalized locally and internationally.”

See articles added to “The NHI Debate” on the Amandla! web-site.

http://www.amandlapublishers.co.za/special-features/the-nhi-debate

4. Research on Health Policy and Healthcare Financing in South Africa

4.1 Health Systems Trust

“Since 1992, the Health Systems Trust (HST) has been contributing to the development of a comprehensive, equitable and effective national health system in South Africa. More recently HST has begun to work more widely within the SADC region. Our core activities are health systems research, health systems development, advocacy, capacity development and information dissemination. ... The underlying principles that guide HST are support for the Primary Health Care philosophy and a commitment to equity and efficiency. HSTs uniqueness lies in the ability to integrate knowledge generation, policy development and practice in health systems development.”


4.2 Kaiser Family Foundation

National Health Leaders’ Retreat Muldersdrift, January 24-26 2010


4.3 Health Economics Unit at UCT

“The Health Economics Unit (HEU) in the School of Public Health and Family Medicine at the University of Cape Town works to improve the performance of health systems in Sub-Saharan Africa through research in health economics and management, training, consultancy and capacity-building.”

http://heu-uct.org.za/

“The HEU [has prepared] information sheets to contribute to public debate on health care financing in South Africa. They are written in non-technical language to be accessible to a wide range of people.”

4.4 Centre for Health Policy at WITS

“The Centre for Health Policy (CHP) is a multi-disciplinary health policy research unit based in the School of Public Health, University of the Witwatersrand, Johannesburg, South Africa. CHP is recognised by the South African Medical Research Council (MRC) as the Research Group in Health Policy.” CHP conducts health systems research in a number of areas.

http://web.wits.ac.za/Academic/Centres/CHP/

Publications: http://web.wits.ac.za/Academic/Centres/CHP/Publications.htm

4.5 School of Health Systems and Public Health Research at Pretoria University

“The SHSPH provides opportunities for advanced education, research, and consultancy in the many fields of public health.” Health Policy and Management section:

http://research.newsbeat.co.za/focusAreas/HPM.html

5. Costings and Evaluation of NHI

5.1 The COSATU Costing by Calikoglu and Bond

The original costing for the post-Polokwane NHI proposals was prepared for COSATU by Sule Calikoglu and Patrick Bond and is dated August 2008. It was initially not in the public domain but can now be downloaded from:


A more recent version, dated June 2009, was circulated for the IDASA Roundtable in January 2010: “Costs/Benefits Estimates for National Health Insurance. A summary analysis submitted to the Congress of SA Trade Unions. 7 June 2009”. An electronic version has not been found on the web.

5.2 The HEU Costing by McIntyre, Ataguba and Cleary

No developments in the public domain yet in 2010 – see 2009.

5.3 Costing and Evaluation by Van der Berg and McLeod

No developments in the public domain yet in 2010 – see 2009.
5.4 Costing and Evaluation by ECONEX

“ECONEX was established in 2005 due to the growing need for applied work in competition economics. Since then, the company has grown into a more diverse economics consultancy with not only extensive experience in competition cases, but also trade analysis and general applied economics.”

http://www.econex.co.za/

“The special series of NHI Notes will deal with some of the key issues in the current debate and will be sent out regularly in order to stimulate a more informed debate on this very important issue.”

Papers that can be downloaded from the site include:

- Demand for Healthcare and Health Insurance in South Africa
- The Extent of Current Cross-Subsidisation in the SA Health System
- NHI Note 1: Key Features of the Current NHI Proposal
- NHI Note 2: South Africa’s Burden of Disease
- NHI Note 3: What does the demand for healthcare look like in SA?
- NHI Note 4: Supply Constraints
- NHI Note 5: Rationing as a Response to Supply Side Constraints
- NHI Note 6: Cancer and the NHI: Cost Constraints and Opportunities

“A full costing and economic impact assessment of the proposed South African National Health Insurance (NHI) plan on behalf of the Hospital Association of South Africa (HASA).”

Not yet in the public domain.

5.5 Costing and Evaluation by Van den Heever

No developments in the public domain yet in 2010 – see 2009.
Resources on the IMSA Web-site

This brief is a collation of the IMSA NHI web-site pages on this background topic. The web-site has additional documents that can be downloaded: www.imsa.org.za

The policy with respect to documents prepared by other organisations is to use a link to their web-site wherever possible. However over time some documents are removed, web-sites are redesigned or organisations change. Examples where the original is no longer available are many of the historical documents from the Department of Social Development. If another site is found that hosts the document we will gladly reinstate a link to that URL.

As the purpose of this series is to put in the public domain material and evidence that will progress the technical work of developing a National Health Insurance system, we would be delighted if you make use of it in other research and publications. All material produced for the IMSA NHI Policy Brief series and made available on the web-site may be freely used, provided the source is acknowledged. The material is produced under a Creative Commons Attribution-Noncommercial-Share Alike licence.

http://creativecommons.org/licenses/by-nc-sa/2.5/za/

Innovative Medicines South Africa (IMSA) is a pharmaceutical industry association promoting the value of medicine innovation in healthcare. IMSA and its member companies are working towards the development of a National Health Insurance system with universal coverage and sustainable access to innovative research-based healthcare.

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