Democratic Alliance

Presentation to the Portfolio Committee of Health on the National Health Insurance Bill

Introduction

- The DA unequivocally supports the realisation to equal access to Universal Health Care envisioned in the NHI Bill.
- The DA does not support the NHI Bill as it will not reach its intended objectives and is not compliant with key constitutional principles or rights.
- For the UHC to be successful, we need a capable state which possesses the capacity, the political stability and the general ability to deliver universal health care to the citizens of South Africa.
- Given the current state of our economy and especially our state-run enterprises, it is common knowledge that the Government will not be able to effectively establish and maintain such a largescale undertaking.
- Public healthcare Institutions have suffered from a culture of corruption and incompetence which has led to poor management, underfunding, understaffing, a loss of skilled staff and deteriorating infrastructure.

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Constitutional Challenges

Constitutional Challenges

1. Incorrect tagging of the Bill: The bill has a massive financial consequence. However, it has not been tagged as a money Bill.
2. Section 27 of the Constitution also states that “everyone” has the right to access health care, and it does not expressly exclude persons on the ground of their status as asylum seekers. Section 7 also makes it clear that the Bill of Rights apply to “all people in our country”. We argue that the exclusion of asylum seekers from enjoying the right to universal access to quality health care services, as purported to achieve by this Bill, is unconstitutional.
3. Section 7(2)(f) affords the Minister of Health the power to designate certain central hospitals as national government components. The administration, management, budgeting and governance of central hospitals will be a competence of national government. The management of these hospitals will be semi-autonomous as the national government will have certain decision-making powers, including control over financial management, human resource management, minor infrastructure, technology, planning and full revenue retention.

   This is, in our view, is the undermining of provincial powers as enshrined in the National Healthcare Act of 2003, which in turn was passed in a manner mindful of the concurrent competencies Provinces enjoy in respect of healthcare in terms of the Constitution.

Constitutional Challenges

4. Other concerns regarding the powers of the Minister

a) Threatens and undermines the principle of separation of powers and are therefore unconstitutional. The regulatory powers afforded to the Minister does not give proper effect to the legislative or oversight powers and responsibilities of Parliament as the legislative authority.

b) The power of the Minister to appoint the Board is neither consistent with the minimum standards applicable to public entities, nor does it allow for public participation or parliamentary oversight and accountability.

5. Regarding the Investigative Unit it should be carefully considered whether it is advisable, in addition to the concerns around the lack of independence of this unit, to duplicate functions already held by the Public Service Commission, the Public Protector and the SIU regarding maladministration and corruption. Furthermore the provisions on this unit might be inconsistent with the right to investigate criminal offences, which is in terms of our law for the SAPS the responsibility of only the SAPS.

Constitutional Challenges

7. Erosion and the possible abolishment of choice

a) This will have a massive impact on the continued existence of private medical schemes.

b) The manner in which Private Health Care could effectively be outlawed once the Bill is fully implemented is not regulation, but abolishment and prohibition by stealth.

c) Similarly, the way in which medical practitioners will be subjected to the decision-making powers of the Minister will not merely limit or regulate their freedom to practice their profession, it will in redefine it to a point where they could merely enjoy the choice to practice as medical practitioners or not.

d) This is therefore the abolition of choice and not merely a limitation of freedom of choice. Even if regarded as a limitation only it will exceed the boundaries of valid limitation section 36 of the Constitution.

Constitutional Challenges

8. The NHI Bill is justified by its proponents by the imperative to attain equal access to health care. However, the manner in which the Bill seeks to attain equality is regressive. Therefore it must fall foul of the Bill of Rights in as far as a contextual interpretation of the Equality clause makes it clear that where inequality is not caused by "unfair discrimination" equality may not be brought about by any other means than adding to the way in which those who do not enjoy equal access to health opportunity.

9. The Bill cannot pass constitutional muster in that it is inconsistent with the values that is underlying to an open society, as required by the limitation clause in order for a limitation to be valid. The main characteristics of the open society is "individual freedom or autonomy". This Bill does not merely limit these freedoms, but in many respects takes it away.

Key Reasons the DA Opposes the Bill

1. It is unclear what services or package of care will be included under the NHI system

Section 25 deals with the establishment of the Benefits Advisory Committee. In terms of section 25(5) this committee will be responsible for determining and reviewing the health care service benefits and types of services to be reimbursed at primary health care facilities, detailed and cost-effective treatment guidelines and the health service benefits to be provided by the Fund in consultation with the Minister.

- It is unclear of what services and medications will be covered or excluded under NHI.

2. SOE'S are failing: an SOE NHI fund will be very vulnerable to mismanagement and corruption

- We need a capable State which possesses the capacity, the political stability and the general ability to deliver universal health care to the citizens of South Africa.
- Given the current state of our economy and especially our State-run Enterprises (such as Eskom, Denel and the SABC), it is common knowledge that the Government will not be able to effectively establish and maintain such a large-scale undertaking.
- The Bill explicitly states that the fund will operate as a public entity which will be constituted by the pooling of funds both from the public and private sector. The Minister has sole discretionary powers over this fund.
- This fund will serve as just another SOE vulnerable to grand corruption at the expense of the nation's entire health system.

3. Referral Pathways

Section 7(2)(d) compels users of the Fund to access health care services at a primary health care level as the entry into the health system.

They are also compelled to adhere to the referral pathways as prescribed and will forfeit health care services purchased by the Fund if they fail to these prescribed pathways.

- Referral pathways are also an unnecessary and burdensome provision, which may lead to users being unreasonably excluded from being covered by the Fund.
    - For example, what would happen to a pregnant woman who decides to skip the general practitioner (the primary care provider) and go straight to her regular gynaecologist or obstetrician?
    - This places unnecessary pressure on the health system and can lead to additional costs, especially in cases where a visit to the general practitioner could have been avoided.

4. The Bill imposes conditions on which treatment can be refused and obtaining a second opinion or seeking alternative forms of treatment will be nearly impossible

Section 7(4) sets out circumstances in which funding for treatment may be refused. In terms of this section, treatment must not be funded where a health care service provider demonstrates that:

- *no medical necessity exists for the health care service in question;*
- *no cost-effective intervention exists for the health care service as determined by a health technology assessment; or*
- *the health care product or treatment is not included in the Formulary, except in circumstances where a complementary list has been approved by the Minister.*

Risk: funding for treatment can be refused on unreasonable grounds.

- Could lead to unnecessary litigation, which in this case may be a death sentence.

- Clarity must be sought on whether the Bill will allow for users of the Fund to approach more than one primary healthcare service provider in instances where they would like a second opinion.

Section 7(5) determines that the Fund provide users with certain particulars in the event that treatment is not funded. This includes providing the user with a notice of the refusal; reasonable opportunity to make representations in respect of such a refusal and the provision of adequate reasons for the decision to refuse the health care service to the user. In terms of section 7(5)(c), the Fund is also compelled to consider representations made by users in relation of a refusal.

- The bill is unclear on how this will be implemented in the issue of emergency or critical medical situations. Not treating certain conditions in timeous manner can have severe medical consequences. If, for example, a patient complaining of symptoms relating to his or her eyes and treatment is refused, that patient might go blind whilst trying to reverse the decision of the fund.

5. There are ethical concerns in what and how healthcare providers can treat patients

Section 39(2)(iii) states that a health care provider must adhere to “treatment protocols and guidelines, including prescribing medicines and procuring health products from the Formulary”.

- This can limit a provider’s agency in treating a patient and has ethical implications for doctor’s and other providers.
- For instance, what would happen if a doctor thinks treatment *x* is better for a specific condition, but the Formulary states treatment *y* must be given?

6. There is a clear erosion of provincial powers

Section 7(2)(f) affords the Minister of Health the power to designate certain central hospitals as national government components. The administration, management, budgeting and governance of central hospitals will be a competence of national government.

The management of these hospitals will be semi-autonomous as the national government will have certain decision-making powers, including control over financial management, human resource management, minor infrastructure, technology, planning and full revenue retention.

- The Bill completely centralises the provision of healthcare by placing the management of all central hospitals under the national department.
- This undermines of provincial powers as enshrined in the National Healthcare Act of 2003.
- In practice, the equitable share of funds to provincial departments will directly finance the fund, meaning poorer health outcomes for ordinary South Africans.
- Provincial departments are already stretched in terms of the healthcare services they are required to rollout, and a reduction in their equitable share will be disastrous for the actual delivery of healthcare. Provinces are at the coalface of the delivery of health services and must be given more funds to improve public health care, not less.

7. The health system will be fragmented where certain spheres will be under local, provincial and national government management.

This will do nothing to create synergy in the health system and will make accountability to citizens difficult if not impossible.

Currently, the health system is premised on an all-encompassing referral system, from community health workers who form part of the primary health system right through to tertiary hospitals.

- The Bill seeks to change this by having tertiary hospitals under the management of the national department.
- This will lead to a complete breakdown in the system, and ordinary South Africans will not be able to hold provincial departments to account for poor outcomes.
    - Fragmenting the health system will bring normal functioning systems to a grinding halt, and take power away from the people, not closer to them.

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8. The Bill completely removes the choice for South Africans to choose where to get their healthcare

- This Bill removes the autonomy of South Africans to choose their own healthcare.
- It mandates the national Department of health as the sole provider of healthcare in the country while all private healthcare providers will be contracted by the state.
- This means that there is absolutely no choice for people on which services to purchase, nor will there ever be competition to drive up the quality of healthcare.

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9. Poor Governance Structures: Bill invests unvetted powers to the Minister of Health

In terms of the section 12, a Board will be established to govern the Fund in accordance with the Public Finance Management Act, and such Board will be accountable to the Minister.

Currently, in terms of section 13 the Bill empowers the Minister to appoint suitable candidates to the Board after recommendations are made by an ad hoc advisory panel

- The appointment of the board under the NHI is a political one and opens the board to corruption and risk of cadre deployment as we have seen many state-owned enterprises.
- A good governance structure is one that is appointed by parliament, as this would ensure better accountability.

Section 29 determines that when the Minister is establishing a committee under this Chapter, he or she must determine by notice in the Gazette its composition, functions and working procedures, the terms, conditions, remuneration and allowances applicable to its members in consultation with the Minister of Finance and any incidental matter relating to the committee.

- It is objectionable that this Act provides the Minister with such carte blanche powers when it comes to the establishment of committees which are generally creatures of statute.

9.1 Poor Governance Structures: Bill invests unvetted powers to the Minister of Health

Additionally, in terms of section 32(2), the Minister is empowered to introduce in Parliament proposed amendments to the National Health Act for the purpose of centralising the funding of health care services as required by this Act, which may:

a) delegate to provinces as management agents, for the purposes of provision of health care services, and in those cases the Fund must contract with sections within the province such as provincial tertiary, regional and emergency medical services.

b) designate provincial tertiary and regional hospitals or groups of hospitals as autonomous legal entities accountable to the Minister through regulation; and

c) establish District Health Management Offices as government components to manage personal and non-personal health care services.

- The inclusion of the aforementioned section, and the sections as pointed out previously, would appear to indicate that the Department, in drafting this piece of legislation, had not undertaken a proper impact assessment insofar as the relationship with existing health legislation is concerned.
- The vague wording and broad powers conferred upon the Minister in terms of this section makes it clear that the Department itself has no idea how this Bill will impact on existing structures and their authorizing legislation. Furthermore, the ability to introduce legislation pertaining to health matters is already a competency of the Minister and need not be specifically legislated.

10. There are no reasonable accountability measures as the corruption Investigating Unit is situated within the Fund which is effectively managed by the Minister

In terms of section 20(2)(e), the CEO of the Fund must establish an Investigating Unit within the office of the fund.

- The Bill makes provision for investigative powers in cases of corruption and maladministration within the National NHI Fund Office.
- This does not occur through any independent body. This opens the fund up to serious corruption risks to the detriment of healthcare provision in the country. Over R200 billion will be vulnerable to theft, a lack of oversight and accountability.

11. There is no clarity on the composition of the Investigating Unit

In terms of section 42(1), an affected natural or juristic person is empowered to furnish a complaint with the Fund, which the Fund must deal with in a timeous manner and in terms of the law. The Investigation Unit as established through section 20(2)(e) is compelled to launch an investigation to establish the facts of the incident reported and must make recommendations to the Chief Executive Officer as to the way in which the matter may be resolved within 30 days of receipt of the complaint in terms of section 42(2).

- The Bill does not provide for the establishment, constitution and composition of the Investigation Unit.
- As the impartiality of this Unit is crucial to the correct functioning thereof, the Bill should in fact, in the very least, provide for the constitution and composition thereof.

12. Several concerns relating to eligibility of board members

With regard to the composition of the Board, section 13(5)(a)-(e) contains the eligibility criteria for members of the Board. In terms of these provisions, members must:

- *be a fit and proper person.*
- *have appropriate technical expertise, skills and knowledge or experience in health care service financing, health economics, public health planning, monitoring and evaluation, law, actuarial sciences, information technology and communication.*
- *be able to perform effectively and in the interests of the general public.*
- *not be employed by the State; and*
- *not have any personal or professional interest in the Fund or the health sector that would interfere with the performance in good faith of his or her duties as a Board member.*

Concerns:

- It would not be suitable to merely state that a person should be a “fit and proper person” as provided for in section 13(5)(a).
  - This is open for abuse and open to manipulation
  - The Bill does not contain grounds that should automatically disqualify persons from being appointed as Board members.
  - Accountability challenges as members are appointed by the Minister.
- The DA does not approve the appointment process as it bypasses parliament structures, and excludes parliament as an oversight body.
- The establishment of proper government structures requires an appointment system that is independent.

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13. Proof of Address for Registration of the Fund

In terms of Section 4(4), a person seeking health care services from an accredited health care service provider or health establishment must be registered as a user of the Fund and must present proof of such registration to the health care service provider or health establishment in order to secure the health care service benefits to which he or she is entitled.

- The requirement is a barrier to access as many South Africans will not be able to provide the required documentation to receive access to services.

14. The Bill discriminates against asylum seekers and foreign nationals

Section 4(2) determines that “asylum seekers” and illegal foreigners are only entitled to “emergency medical services” and services for notifiable conditions of public health concern.

- The Bill should provide more guidance as to what constitutes an “emergency medical service” and “notifiable conditions of public health concern”. Currently, the definition for “emergency medical service” is inadequate, as it does not provide for the exact meaning of “emergency”.
- Section 27 of the Constitution states that “everyone” has the right to access health care, and it does not expressly exclude persons on the ground of their status as asylum seekers.

15. Medical Schemes

- It is clear from section 33 that medical aids will essentially cease to exist in their current form. The Bill states that once NHI has been “fully implemented” medical schemes may only offer complementary cover to services not reimbursable by the Fund.
- However, it is not clear what the NHI Bill considers to be “fully implemented”. Furthermore, we believe it is possible for a private sector to co-exist next to the public sector, but with NHI the private sector will be drastically reduce, leading to job losses and poorer health outcomes.

16. Pooling of Funds

The rationale behind the pooling of funds is that for the NHI to be affordable, efficient and equitable, there is a need or a national resourcing pool. According to the Minister of Health (2019:2), “there is a need for reform both the health care financing and service delivery systems so that all South Africans have access to affordable, quality personal health care services regardless of their socioeconomic status.”

- Pooling of funds is essentially throwing money at a problem without fixing the challenges.
  - It is unclear on how the fund will be protected from theft, mismanagement and corruption.
- A pooled fund will not equate to improving the efficiency of the healthcare system.
- Recommendation: The DoH of health should focus on fixing governance and management structures to increase efficiency and accountability of the public healthcare system before considering an NHI.

17. Personal Tax Burden

Section 49(1) provides that the Fund is entitled to money appropriated annually by Parliament in order to achieve the purpose of the Act. Such money, in terms of section 49(2), must be appropriated from money collected and in accordance with social solidarity in respect of:

a) *general tax revenue, including the shifting funds from the provincial equitable share and conditional grants into the Fund.*

b) *reallocation of funding for medical scheme tax credits paid to various medical schemes towards the funding of National Health Insurance.*

c) *payroll tax (employer and employee); and*

d) *d) surcharge on personal income tax, introduced through a money Bill by the Minister of Finance and earmarked for use by the Fund, subject to section 57*

- Our submission is that ordinary South Africans have been squeezed dry by government taxes and cannot be subjected to yet another tax.
- This will impact the majority of South Africans, even the poor as it will increase the cost of living.
- The only purpose of any tax increase to fund the NHI is to cover medical scheme members via a state scheme rather than to enhance services for those currently using state services.
- This is fiscally irresponsible and will result in behavioural responses to tax increases without any benefits for those using state services.
- This is a major risk as there is currently weak accountability measures in place on where taxpayers money is being spent.

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18. NHI is unaffordable as it stands and is fiscally unaffordable as has been confirmed by Treasury. The South African economy is on its knees due to reckless spending, corruption and lack of accountability already

Treasury has said that government's original estimates for implementing National Health Insurance are simply unaffordable in the current fiscal environment, and even a limited package of reforms will require an extra R33 billion on top of the existing health budget from 2025/26.

In his medium-term budget policy statement (MTBPS) in October 2017, Finance Minister Tito Mboweni clearly outlined the unaffordability of NHI:

- *Originally, NHI costs were projected to increase public health spending from about 4% to 6% of GDP over 15 years. However, given the macroeconomic and fiscal outlook, the estimates to roll out NHI that were published in the NHI Green Paper in 2011 and in the White Paper in 2017 are no longer affordable.*

- This statement was before the pandemic and July unrests.
- Many respectable economists have warned that NHI will hurt our already ailing economy and increase our debt. It will inevitably slow down our growth rate and will have disastrous outcomes for our economy.
- To note: There has been no adequate and accurate costing of the Bill.

19. Failed Pilot Studies: At the cost of R5 billion

Summary of reasons for failed pilots:
1. Inadequate planning
2. Lack of resources
3. Inconsistent communication
4. Insufficient mechanisms to monitor progress to ensure course correction
5. Lack of coordination
6. Allocated budgets did not always follow priorities and at times led to interventions going under-funded.
7. Rationalisation of budget allocation and intentions were not understood or aligned to contextual needs at a provincial and district level.

20. Feasibility Studies

Feasibility studies are crucial to gaging whether a policy is needed and what measures need to be put in place to ensure its successful implementation.

In the case of the NHI there are a variety of feasibility studies that need to be done along with an accurate costing of the policy.

The following studies need to be conducted before the implementation of the NHI:

1. *Technical Review*
2. *An Institutional Feasibility Study*
3. A study that considers the *international evidence* relating to the decentralisation of health functions, the systems of financial transfer required to preserve equity and accountability.
4. *A financial feasibility study*

21. Implementation of NHI will likely lead to a brain-drain of critical skills in the country

- The Bill states that service providers must register with the Fund in order to provide healthcare to users of the Fund.
- Whilst this does not compel all healthcare providers in the country to register with the Fund, it severely limits options for private practitioners. It will inevitably lead to highly skilled providers leaving the profession, which is not in the best interest of South Africans.

22. Shortage of Skills

- The DA is also concerned about the shortage of specialised medical professionals.
- According to Hospital Association SA (HASA,2022), South Africa's doctor numbers per 1000 inhabitants has a ratio of 0.16. This is far behind countries such as Turkey (2.1) Russia (8.1), Columbia (1.15), Brazil (1.50) and Libya (1.88).
- What is increasingly concerning based on the current shortage of medical skills in the country is that medical practitioners were not included in the countries recent critical skills list.
- HASA highlighted that by 2025 South Africa will have a shortage of 34 000 nurses. The shortage of doctors and nurses and the slow development of medical skills pose a serious risk to the delivery of the NHI.

New Political & Economic Climate

Political Climate

- Since the introduction of the Bill, the country's political and economic climate has change dramatically.
  - A global pandemic
  - A harsh and strict lockdown
  - Decreased economic growth
  - Millions of job losses
  - July unrest
- This is a completely different economic context under which we are operating. As a result, there is a need for a re-evaluation on the feasibility of the NHI Bill.

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Economic Climate

- In the Main budget Framework, expenditure exceeds revenue.
- There is a projection of a R380 billion deficit.
- Based on these projections, can the state afford NHI?

Table 3.7 Main budget framework

R billion/percentage of GDP	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Outcome		Revised	Medium-term estimates		
Main budget revenue	**1 275.3**	**1 345.9**	**1 238.4**	**1 483.2**	**1 517.5**	**1 581.3**	**1 689.4**
	23.5%	*23.7%*	*22.2%*	*24.0%*	*23.9%*	*23.6%*	*23.7%*
Main budget expenditure	**1 506.6**	**1 691.0**	**1 789.0**	**1 893.1**	**1 897.9**	**1 936.7**	**2 039.1**
	27.8%	*29.7%*	*32.1%*	*30.7%*	*29.9%*	*28.9%*	*28.6%*
Non-interest expenditure	1 324.8	1 486.2	1 556.4	1 623.9	1 594.8	1 602.1	1 673.3
	24.4%	*26.1%*	*28.0%*	*26.3%*	*25.1%*	*23.9%*	*23.5%*
Debt-service costs	181.8	204.8	232.6	269.2	303.1	334.6	365.8
	3.4%	*3.6%*	*4.2%*	*4.4%*	*4.8%*	*5.0%*	*5.1%*
Main budget balance	**-231.3**	**-345.1**	**-550.6**	**-409.9**	**-380.4**	**-355.4**	**-349.7**
	-4.3%	*-6.1%*	*-9.9%*	*-6.6%*	*-6.0%*	*-5.3%*	*-4.9%*
Primary balance	**-49.5**	**-140.3**	**-318.0**	**-140.7**	**-77.2**	**-20.8**	**16.1**
	-0.9%	*-2.5%*	*-5.7%*	*-2.3%*	*-1.2%*	*-0.3%*	*0.2%*

Source: National Treasury

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Job Losses

- The total number of employed persons are 14.3 million people (3rd Quarter 2021:StatsSA). The total population for South Africa is 60.1 millions (StatsSA: 2021).
- The expanded definition of unemployment rose to 46.6% up from 44.4% in the second quarter of 2021.
- Since the initial costing of the NHI Bill we have experienced a pandemic, economic decline and millions of job losses. South Africa's tax base has shrunk.
- A shrinking tax base highlights the increasing concern regarding the NHI's unaffordability now more than ever.

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The Health Sector

The Management of the Pandemic

- Covid-19 has highlighted the inefficiency of centralisation and NHI is the centralisation of healthcare services.
- With NHI being the centralisation of the health care system, and government failed with regards to centralisation of vaccine procurement, to what extent will it be successful?
  - We have experienced centralisation failure through governments management of the vaccine procurement processes

Pandemic Failure Highlights

R13.3 billion under investigation due to covid corruption
274 312 vaccines wasted (21 November 2021)
Ex Minister of Health implicated in corruption scandal (Digital Vibes)
SANDF procures R215 million of vaccines from Cuba, that we cannot use.
Expiry date on Astra-Zeneca were not checked. This gave government only 2 months to administer them before the expiry date.
Secrecy and lack of transparency of vaccine deals due to “non-disclosure agreements”.

Covid Corruption

- The SIU investigation has amounted to R13.3 billion with many highlighting that public officials have personally benefited from tenders.
- 2803 irregular contracts
- A corruption scandal directly implicated the previous Minister of Health Dr Zweli Mkhize.
- The SIU report that was released in 2022 highlights the dangerous flaws in the administration.
  - Unlawful appropriation and expenditure of public money and property
  - Intentional or negligent loss of public money and/or damage to public property
  - Lack of competitive, transparent, equitable and cost-effective products

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Medical Malpractice

- 2014/15 – R28 billion
- 2015/16 – R43 billion
- 2016/17 – R60 billion
- 2017/18 – R80 billion
- 2018/19 – R98 billion

An Alternative

The DA stands for universal health access for all citizens

- We believe the key to this is not big policy developments but rather making the current regional management model work.
- The NHI implies that the failings of public health are the fault of the private sector. The DA disagrees with this analysis. We envisage a solution where the strengths of the private sector are leveraged to improve public health through partnerships.

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An Alternative to Consider

Allocate a universal subsidy to every South African citizen irrespective of whether or not they are covered by the public or private health systems. The value of the subsidy would be set in relation to an affordable and comprehensive package of services available within the public health system.

1. The universal subsidy would be funded from a combination of existing budget allocations for public services together with a re- allocation of the off-budget tax credits presently allocated to medical scheme members via the tax system.
2. Provide for an information system that makes transparent the nature, quality and price of every service provided by health facilities in the public and private sectors nationwide. Costs are kept down as public sector and private sector becomes more competitive.
3. Implementation of localised accountability systems to hospitals and district health authorities as well as decentralised decision-making and appointment processes.
4. Every person will be able to choose whether to buy public or private sector cover with their subsidy – with rules against opportunistic movement between the two.
5. Public services are free at point of service for both those who have medical aid membership and those who do not. Medical schemes will increasingly pay for public services used by their members as the quality thereof improves.

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In the Western Cape

- Aspects of our plan have been implemented in the Western Cape where mortality rates are lower – half of any other province, it has attracted the highest number of South African doctors and has the highest number of specialists per capita. Hospitals and clinics are better maintained and have far better resources.
- The Western Cape has proven within its current budget to run the best healthcare system in South Africa. This model, if applied nationwide and accountability is decentralised, is set to improve healthcare facilities.

Decentralised models = Proper governance and accountability

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Conclusion

- The DA supports and advocates for Universal Health Care; the NHI Bill will not achieve this.
- The Bill is a funding model and speaks nothing about a holistic overhaul of the broken health system.
- The Bill will not achieve UHC – it is the very antithesis of UHC.
- The Bill misdiagnosis the problem with the SA Health system – issues of corruption, mismanagement and poor use of public resources.
- The Bill vilifies the private healthcare sector and does not envision it as a partner to achieve better health outcomes for all.
- The Bill was drafted before the global COVID19 pandemic; does not include lessons learnt which include the value of partnership with the private healthcare sector.
- The Bill will impose an additional tax burden to already struggling South Africans when UHC can be achieved within the current budget allocation.
- The Bill does not make provision for an investment in the current health system to fix what is broken.

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Conclusion

- The Bill will pool funds for the provision of healthcare and ‘throws money at a problem’ but does not fix what is broken with the system.
- The Bill imposes poor governance structures without any accountability mechanisms. The political appointment of a board that will manage billions of public money will be open to corruption.
- The Bill does not include the oversight role of Parliament to hold the Minister and an independent board to account.
- Lessons from COVID19 corruption alone should be alarm bells for the committee.
- The Bill has many constitutional pitfalls which will erode provincial powers, fragment the healthcare system and deny access to healthcare for asylum seekers and foreigners.
- The Bill should be sent back for drafting to take into account the many issues raised in the public hearings process.
- Legislation drafting is the role of Parliament and the parliamentary processes that have been rolled out should not be ignored.

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Thank You