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Health

BETTER TOGETHER.

PPHF – A POLICY CONTEXT FOR THE NHI /UHC

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20 JULY 2018

Introductory Remarks (1)

1. NHI Bill is not landing in a vacuum – impt to be cognisant of the current context.

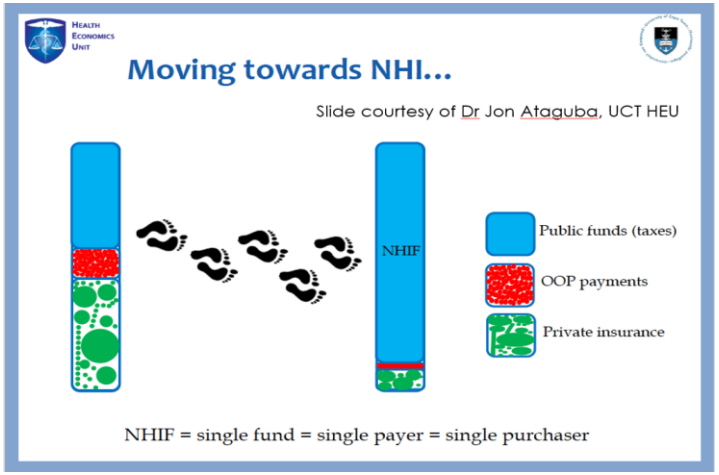
2. Taking the Bill as read – out for ***comments by the 21 st Sept***. Policy issues still emerging.

3. Important we focus on the philosophy and strategic intent of the UHC and NHI Bill. (the ***why***) - **sustainable and affordable universal access to services**

   UHC : three elements

   - Equitable access based on need and (not ability to pay)
   - Good quality health services
   - Financial risk protection

   NHI is a means to meeting the goals of the Health System



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Introductory Remarks (2)

4.The Bill has a lot of "the ***what***" that needs to be done.

5. The challenge is the ***how*** we get it done.

6. Most complex piece of health sector reform since 1994
   – ***requires leadership, courage, political will, commitment, perseverance and partnership around a shared vision and set of goals.***

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Social determinants of health

These include :

- Poverty
- Unemployment
- Poor housing and land ownership
- Lack of clean water (aggravated by Drought) and sanitation
- Poor education and skills levels.
- Violence
- Alcohol and substance abuse

Other Risk factors

- Unhealthy lifestyles (Smoking, poor eating habits, physical inactivity, unsafe sex etc)

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Current Context and Landscape (1)

- The burden of disease in South Africa is very high, complex (multi-morbidity, drug resistance) and increasing
  - Chronic intractable service pressures in the public sector on a daily basis.
  - Costs of investigations, skills and technology required, longer ALOS and poorer prognosis >> >> driving up the costs of health care. (not the only factor !)

- Shrinking budget envelope - The projected shortfall over the coming MTEF is estimated to be R1bn which is more than the total budget of Khayelithsha and Mitchells Plain hospitals combined.

- For level of health spending (8,5% of GDP) , we achieves sub - optimal health outcomes.

- Significant inequality between the expenditure/coverage in the private (4.1% GDP/16% pop) and public sectors (4.2% /84% pop)

- Escalating Cost of healthcare in the private sector is unsustainable. (HMI report)

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Current Context and Landscape (2)

- In recent months to years, the perception of the public sector health services has grown to be increasingly negative :
  - Described from distress to dysfunctional to crisis
  - Life Esidemeni – oncology crisis in KZN etc
  - Corruption has been rife
  - Growing impatience and unhappiness with quality of services in the public sector
  - Adverse audit outcomes
  - Escalating medico legal litigation into billions.

- The Health System is complex – caution knee jerk responses and unsustainable quick fixes > need a deepened understanding and a robust diagnostic, listening to multiple perspectives and a careful consideration of options before we decide on interventions. Also acknowledge the need for responsiveness.

- What is the level of functionality in the public sector required before we can introduce the NHI ?

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Pointers that emerge from the context … (1)

1. The **social determinants** and upstream factors **cannot be addressed thro a narrow medical model** – requires a strong Whole of Society, inter-sectoral approach (as advocated by Alma Ata in 1978).

2. Need greater emphasis on a **preventive aspects** of comprehensive care.

3. Notwithstanding the current crunch in the economy, **there is always not enough funds** to provide for all the needs of the population – global experience – so
   - Strong Focus on **cost effectiveness** to improve health outcomes at lowest cost and **efficiency** must remain.
   - **Affordability and sustainability** will also depend on the package of services and priorities that are funded.
   - **Pooling of resources** (funds, skilled health professionals, technology, infrastructure) between public and private sectors is necessary.
   - Pooling of resources **may not necessarily lead to more money** for Health > could have re-direction of funds to other priorities.
   - **Corruption is unacceptable** and unaffordable and must be rooted out thro good governance and ethical leadership and robust systems.

4. **Public sector treats 80%** of the population which includes the most vulnerable sections of the population :
   - Having a **functional and well performing public health system is mandatory**
   - Where dysfunctional, diagnostics and effective interventions are urgently required.
   - Given the varying levels of challenges in different provinces – what is the **strategy for strengthening provinces and districts**, what is the **scope for flexibility** within a UHC and NHI framework ?

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Pointers that emerge from the context …(2)

5. Building a national health system including the public, private for profit and NPO sectors :

- ***Coherent, well coordinated and integrated health system***
- Geographic based *(**provincially coordinated, district health system**)*
- Serious concerns about fragmentation :
  - Central hospitals nationally governed and managed!
  - Role of the provinces unclear
  - NHI fund contracting directly with providers and CUP ?

- ***Service delivery model*** ;
  - Benefits > service package > costs and tariffs > CUP (? COPC unit, sub districts (32), Districts (6); Province (1)?
  - Patients will have a choice : how do we address nurse based model in public sector vs GP model in private ?
  - Accreditation standards – what will be feasible and appropriate ? Or is the NCS in its current form a given ?
  - How do we address the maldistribution of current provision vs needs esp. in the urban areas and who gets contracted ?

- ***Private providers must learn to operate within a system*** with shared responsibilities and accountabilities, with strong relationships with a shared responsibility for health outcomes.

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Pointers that emerge from the context …(3)

6. Range of other areas – very much dependent on the service delivery model

- ***Workforce planning and management***
- ***Information systems***
  - Intero-operable systems
  - Data sharing arrangements
  - Access to patient records
  - National potability of systems
  - Independent repository of data.
- ***Strategic Purchasing***
- ***Governance and Management of the NHI Fund :***
  - Administration costs of the NHI fund could be significant
  - The skills and capacity required to set up and manage the fund.
  - Robust governance arrangements with clear accountability lines.
  - Caution that contract mx does not become administrative onerous and bureaucratic > consumption with contract mx rather being patient centric.

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Concluding Remarks

1. **Need to collectively embrace this exciting opportunity** to lead this process with sister provinces to strengthen the health system and innovatively land the NHI thro an inclusive process, whereby we deepen our understanding thro engagement, secure technical support, design service delivery models that can meet the objectives of the health system with its 3 Es(equity, efficient and effective) and 3As (accessible, affordable and acceptable).

2. **Assuming we agree with the strategic intent of the NHI/UHC, how do we make this happen amidst all the noise and turbulence in the environment : we need to :**
   - Learn by doing
   - Be open to multiple perspectives and ideas
   - Be willing to change our mindsets both in the public and private sectors.
   - Be flexible to change tact if we need to on reflection
   - Commitment to Continuous improvement

3. **Strategic and operational policy issues will emerge as we deepen our understanding over time.**

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