UPDATE ON NHI – OCTOBER 2017: The latest policy document on NHI

It is indeed gratifying to see that many of the submissions which have been made to the Minister of Health and the National Department, appear to be emerging in their latest policy document dealing with National Health Insurance (30 June 2017).

**Future role of the Private Sector:**

Significantly there now appears to be a definite recognition of the strengths of the Private Sector, and certain specific roles appear to be crystallising.

We now see that State will need to purchase services both from Family Practitioners (FP) as well as from Specialists. Furthermore the Director General has gone on record suggesting that private medical schemes, which have highly developed business models which manage financial transactions and run the low cost options, could be approached as Government seeks the necessary expertise to run different aspects of National Health Insurance. Precious Matsotso has indicated that NHI’s first phase would run from 2017-2022.

Every South African is entitled to access to quality, promotive, preventative, curative, rehabilitative and palliative healthcare that is of a sufficient quality, without creating financial hardship. This will however be realised in a Progressive and Incremental fashion.

This goal has been widely embraced by the private sector, specifically by the Primary Health Care Physicians and FP’s.

**New Payment Mechanisms:**

Government will consider approaching the current healthcare crisis by:

1. Active purchasing of healthcare from groups of organised providers
2. Re-introducing the gatekeeping model for FP’s
3. Closely examine alternative reimbursement models both for individual practitioners as well as for larger groups for example hospitals.

These models will include capitation for primary healthcare providers, and DRG’s as well as Per Diem fees for hospital services.

We are aware of how the percentage of the “remuneration pie” available for FP’s in the South African Healthcare Sector has contracted. Despite this, Government moves to replace the fee for service paradigm with capitation and capitation-risk adjusted alternative reimbursement models, the private FP however may well see an initial further attrition of his ability to produce an income, unless he becomes part of an organised enhanced reimbursement methodology similar to that which is run by the IPA Foundation.
Collective Bargaining: our pattern going forward:

Given that Primary Healthcare both State and Private is the backbone of healthcare delivery services throughout the world, it is essential that we now organise our thoughts and strategies and consider lobbying for the right to collectively bargain for a better reimbursement. It is essential that this is done in a manner which is acceptable to the Competitions Commission and does not contravene the Act.

This has been done successfully in other countries, for example Australia where doctor networks where granted exemption to collectively bargain with the state in terms of that country’s Competition Laws.

Funding for the NHI remains uncertain in the face of an economic downturn and the recent downgradings of our economy.

OHSC and OMRO – 2 acronyms to remember:

In describing the general principles of monitoring and quality which will be built into the NHI offerings, The Office of Health Standards Compliance (OHSC), and The Outcome Measurement and Reporting Authority (OMRO), are the 2 pillars on which the Primary Healthcare Offering, which the practitioners offering primary healthcare services to the state will concentrate. As their names suggest, the OHSC will look after the certification, quality assurance and accreditation of the various services provided by healthcare providers. The IPA Foundation, over the past 3 years, has put forward a self-accreditation questionnaire (a copy of which you will find on the IPAF website [www.ipafoundation.co.za](http://www.ipafoundation.co.za), as well as the docweb website [www.docweb.co.za](http://www.docweb.co.za)). You are invited to self-accredit your practice and submit the completed form to ethel@cpcqualicare.co.za, as we are currently compiling a dossier of self-accredited practices within IPAF. The OMRO will work in a manner not dissimilar to IPAF Profiling and Peer Review process.

Contracting “CUPs”:

A very significant “first”, for FP’s is the concept of Contracting Units for Primary Healthcare (CUP).

The NHI Primary Healthcare offering appears to envisage a tapestry of “CUPs” across the country where Primary Healthcare practitioners together with dentists, pharmacists, nurses, etc, will register and run healthcare facilities. The CUPs will be certified, as well as the healthcare practitioners, who will be quality assured by the 2 organisations, OHSC and OMRO.

With great pragmatism, the NDOH has shown flexibility and has moved away from only employing practitioners to work at state clinics to provide primary healthcare, to consideration of integrated teams of providers operating from their own rooms and structured into networks which are either real or virtual. A virtual network would be an interdependent organisation of family practitioners, pharmacists, allied healthcare professionals, etc., all working and one interacting with the other. Clearly there will need to be some major changes in the HPCSA’s Ethical rules before this can finally occur.

We therefore believe that virtual CUP’s should be at the top of your mind for 2019 and beyond, and that regional IPA’s such as CPC/Qualicare and overarching body of the IPA Foundation be accepted
as the source of virtual CUPs development by the NDOH. This will entitle and allow existing CPC/Qualicare Practitioners to remain in their practices whilst interacting with patients on NHI, thereby saving significant amounts of outlay and restructuring.

Finally it should be noted that this article is merely a summary of NHI at FP level, at this moment in time. Things change as they have already done numerous times as the NHI philosophy of Primary Healthcare delivery.

You are there for encouraged, as always, to “watch this space”, read our website, come to our meetings, and give your input freely to my office.

Tony Behrman & The Qualicare and IPAF Team