

FTSE/JSE

▼ 1.52% 76027.83

FTSE/JSE Top 40

▼ 1.58% 70705.47

USD/ZAR

▼ -0.11% 18.84

GBP/ZAR

▼ -0.04% 23.90

EUR/ZAR

▼ -0.05% 20.56

Gold

0.00% 1919.57

Oil

▼ 0.16% 75.28

South Africa

NHI Bill will nationalise doctors – Profmed CEO

Bianke Neethling • 30 Jun 2023

Profmed CEO Craig Comrie said that, if fully implemented, the National Health Insurance (NHI) Bill would effectively “nationalise” medical professionals and cause many to leave the country.

Comrie said South Africa’s poor economic growth, high unemployment rate, load-shedding, crime, and corruption has already led to professionals leaving the country.

“There is no doubt that young doctors and specialists have and are already moving for better safety and career prospects while earning foreign currency,” he said.

“This is a total loss of a crucial ingredient for any universal health system.”



Comrie said Profmed provides medical cover to over 16,000 doctors and medical specialists in South Africa and noted that emigration had been the number one reason for leaving the scheme over the past year.

“Adding the poorly drafted NHI bill which relegates medical schemes to provide ‘top-up or complementary services’ means that medical professionals are also effectively being nationalised... once the so-called NHI is fully implemented.”

Comrie also raised concerns about the NHI Bill’s funding model. According to the government’s [website](#), “The funding for NHI will be through a combination of various mandatory pre-payment sources, primarily based on general taxes.”

Managing director at Intellidex Peter Attard Montalto estimated that the government’s NHI scheme would cost the country between R300 billion and R460 billion a year.



Comrie said South African taxpayers could not afford the additional taxes needed to fund NHI, “and the Treasury will have a difficult task of increasing taxes for such a small tax base”.

As with medical professionals, these increased taxes could encourage many South African taxpayers to leave the country to avoid the high tax rates.

“It will be easier for many professionals to work remotely in Mauritius or other countries than in South Africa. This will be a real loss to South Africa and complicate any NHI funding ambition,” he said.

Comrie said that rather than trying to achieve NHI as envisaged in the Bill, the public and private sectors must work together and more practically address the corruption and inefficiency – in public and private healthcare – to ensure healthcare quality improves overall.

“We need change and reformation, but we need more pragmatic steps,” he said.

Comrie highlighted potential steps to be taken.

- Develop centres of excellence where people can access the best quality of health outcomes regardless of if they are public or private patients.
- There are many reforms in the private sector suggested by the Health Market Enquiry, which can result in more people being pre-funded in the medical scheme market and remove an additional 5 to 9 million people from the public sector system.
- Work with the private sector to produce more specialised nurses, doctors, and specialists and allow private medical schools to capacitate the skills shortage while we have such shortages and high unemployment.
- Build a value proposition where NHI-funded medical professionals can also work for private patients, thereby retaining their skills in the country.

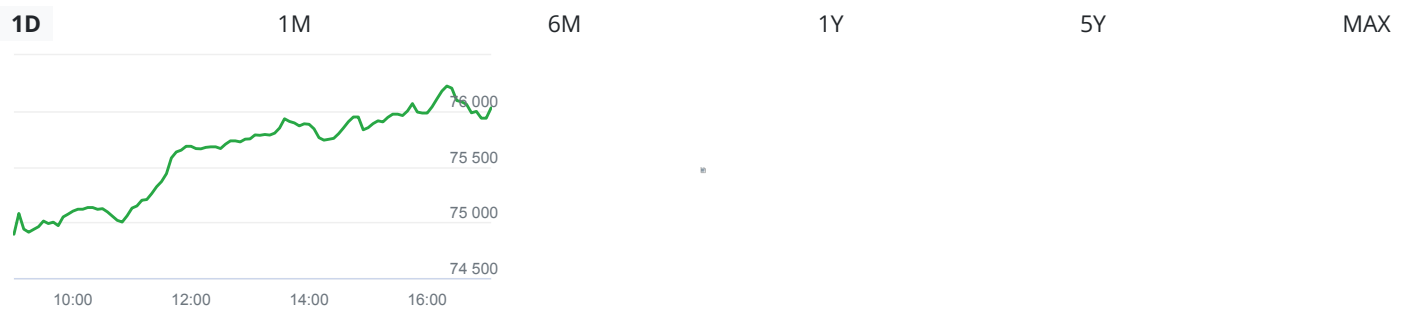
Comrie said, “Medical schemes, at their core, are the best representatives of a community willing to remove the burden of healthcare from the state and buy their own medical cover.”

Newsletter

Enter your email

Subscribe

Top JSE indices



<u>All Share</u> J203	▼ 1.52% 76027.83
<u>All Share Industrials</u> J257	▼ 1.53% 112882.06
<u>Financial 15</u> J212	▼ 1.87% 16057.13
<u>Industrial 25</u> J211	▼ 1.57% 106419.90
<u>Resource 10</u> J210	▼ 1.27% 61994.83
<u>Top40 - (Tradeable)</u> J200	▼ 1.58% 70705.47