

SA can learn lessons from NHI in Africa

The government's proposed National Healthcare Insurance (NHI) scheme must be embraced, not just because all citizens have the right to quality healthcare, but because without implementing such a measure, SA will be left behind other major emerging African economies that have already begun introducing similar schemes.

According to Olabode Olajumoke, employee benefits actuary at Aon Hewitt SA, many people mistakenly believe that SA will be the first country in Africa to consider offering some form of universal healthcare.

"This is actually not the case, as countries such as Nigeria and Kenya have already introduced some form of medical benefit to their citizens.

"Both these schemes are still in the early stages and while each faces its own set of challenges, it is however positive that these regions are making strides forward to address the healthcare issue.

"Given SA's larger economy and more resources at its disposal, not only are we perhaps better equipped to meet the healthcare needs of the country, we are also in a position to learn from the successes, and mistakes, already made by other countries."

Olajumoke says in Nigeria the government has introduced some form of NHI for basic income groups, which is expected to later be rolled out to students and then gradually other demographics.

In Kenya, the government has also started rolling out a scheme to cater for the healthcare needs of the lower income bracket.

"Both of these schemes are income means tested, which seems to be the most practical and fairest way to fund such a model.

He says that while the introduction of health insurance schemes in both Nigeria and Kenya should be welcomed, the reality is that currently neither is working optimally, due in part to rising costs and inefficiencies in medical delivery.

"The escalating cost of healthcare is one of the biggest challenges of properly funding viable medical benefits in both Africa and globally.

This is often as a result of the rising cost of provider fees and importation of medical equipment and drugs.

The South African government has already highlighted these problems and it is something that does need to be addressed

in order to ensure the viability of NHI."

Olajumoke says that while it is a challenge to determine how best to resolve the issue of provider fees, one positive is that SA can learn from the mistakes that have already been made by other countries and also identify what has worked to ensure that its own NHI model works optimally from the outset.

A possible initiative by the government could entail working closely with the private sector - including the top medical schemes - to upgrade the inefficient medical facilities in the country.

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