



#### National Health Insurance

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## Perception



Home / Public Health

#### NHI Bill 'won't be a silver bullet' in saving public healthcare in SA



Written by Noluthando Mkhize

NHI: Quality health care for all of SA

Home / Home / PHM-SA Statement on National Health Insurance (NHI) Bill

#### NEWS 25/06/2018 06:40 SAST | Updated 25/06/2018 06:41 SAST

① June 23, 2018

**Press Statement** For Immediate Release Saturday, 23 June 2018

#### PHM-SA Statement on National Health Insurance (NHI) I SA's Doctors Threaten To Emigrate As NHI Tariffs Will Make Them 'Go Bankrupt'

Analysts say doctors will not comply with the capped tariffs required in the NHI bill, or they will emigrate.







## International and local imperatives to improve access and availability

**■** Universal **Declaration of Human Rights** (1948 ), Article 25: Right to health including food, clothing, housing, medical care and necessary social services.



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## **Global Imperative**

The preamble to the **Constitution of the WHO** (1948) : "The enjoyment of the highest attainable standard of health is one of the *fundamental rights of every human* being without distinction of race, religion, political belief, economic or social condition."

### CONSTITUTION OF THE WORLD HEALTH ORGANIZATION<sup>1</sup>

THE STATES Parties to this Constitution declare, in conformity with the Charter of the United Nations, that the following principles are basic to the happiness, harmonious relations and security of all peoples:

Health is a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity.



## Global Imperative

■ The International Covenant of Economic, Social and Cultura Rights (ICESCR) Article 2:

"Each state party ... undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realisation of the rights recognised ..."

■ South Africa ratified the ICESCR on 18 January 2015

International Covenant on Economic, Social and Cultural Rights

Adopted and opened for signature, ratification and accession by General Assembly resolution 2200A (XXI)
of 16 December 1966

entry into force 3 January 1976, in accordance with article 27



### Global Imperative

- United Nations adopted 17 Sustainable
   Development Goals (SDGs) 25 September 2015 .
- Goal 3.8 of the SDGs urges all countries to:
  - "Achieve universal health coverage including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all"



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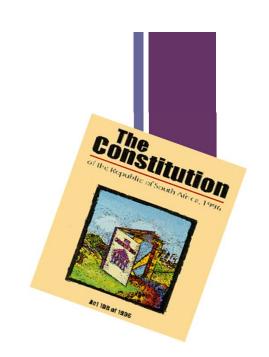
## **Constitutional Imperative**

The South African Constitution and Bill of Rights enshrines the right to healthcare.

#### **Section 27** provides that:

- (1) Everyone has a right to have access to -
- (a) healthcare services, including reproductive health care...
- (2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of each of these rights.
- (3) No one may be refused emergency medical treatment.

(Act 108 of 1996)



## National Health Act

- Defines government's responsibilities in realising the Constitutional Rights
- Provides for a single national health system, in order to provide the population of the Republic with the best possible health services with available resources
- Explicitly encompasses both public and private providers of health
- Outlines NDoH mandate

#### ACT

To provide a framework for a structured uniform health system within the Republic, taking into account the obligations imposed by the Constitution and other laws on the national, provincial and local governments with regard to health services; and to provide for matters connected therewith.



## National Development Plan 2030

Vision and Trajectory for Health

- The NDP (2030) envisions a health system that works for everyone and produces positive health outcomes, and is accessible to all
- By 2030, South Africa should have:
  - Raised the life expectancy of South Africans to at least 70 years;
  - Produced a generation of under-20s that is largely free of HIV;
  - □ Reduced the burden of disease:
  - Achieved an infant mortality rate of less than 20 deaths per thousand live births,
    - including an under-5 mortality rate of less than 30 per thousand;
  - Achieved a significant shift in equity, efficiency and quality of health service provision;
  - Achieved universal coverage;
  - □ Significantly reduced the social determinants of disease and adverse environmental factors.

### + National Health Insurance

- National Health Insurance (NHI White Paper, Dec. 2015)
- NHI is a health financing system that is designed to pool funds to provide access to quality, affordable personal health services for all South Africans based on their health needs, irrespective of their socioeconomic status...
- NHI represents a substantial policy shift that will necessitate a
  massive reorganisation of the current health care system,
  both public and private and also derives its mandate from the
  National Development Plan (NDP) of the country.

  (NHI White Paper, Para. 1-2)

## National Health Insurance

- The NHI White Paper highlights a number of issues relating to **improved availability** of, and **access** to, health products.
  - Health Technology Assessment for health product selection
  - Improved distribution mechanisms
  - Improved systems and processes within procurement system
  - Innovative distribution and access models, including a Central Chronic Medicine Dispensing and Distribution (CCMDD) programme

## + Chronic Disease

SA carries the third largest burden of TB, DR-TB and MDR-TB in the world The incidence of TB has more than tripled in the last 20 years

Among 18 to 35 year olds, 20% have hypertension,

12% have diabetes...

...and will increase to 30% and 26% respectively among 36 to 45 year olds

Although SA has the largest ART programme in the world, retention in care rates



## \*Burden Of Disease (BOD)

## South Africa: a cocktail of four colliding epidemics



#### Maternal, newborn & child health

- · -1% of global burden
  - 2-3 times > average for comparable countries

#### HIV/AIDS and TB

- 17% of HIV burden
  - · 23 times > global average
- 5% of TB burden
  - 7 times > global average

## Non-communicable diseases

- <1% of global burden</p>
  - 2-3 times > average developing countries

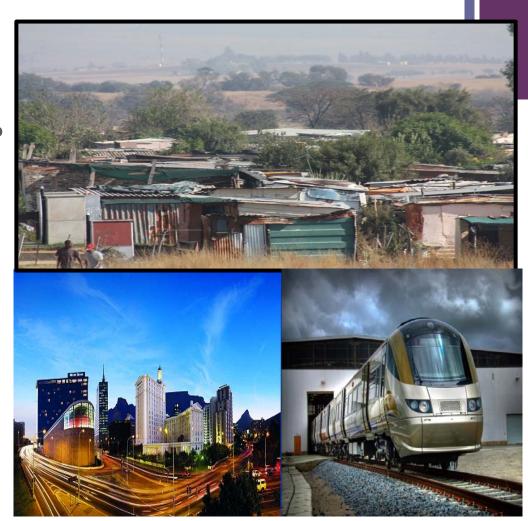
#### Violence and injury

- 1.3% global burden of injuries
  - 2 times global average for injuries
  - 5 times global average for homicide

#### Profile of South Africa

- Population at 55million (>60% urban)
- Middle-income (2017): GDP = \$349.42 billion
- Total expenditure on health pc (2013): \$ 1 121
- Total expenditure on health % GDP (2013): 8.93
- Life expectancy 60.6/64.3 years (Midyear Population Estimates 2015, StatsSA)
- High inequality

Total Pharmaceutical Sales USD3.2bn



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## Progress Made In Reducing BOD

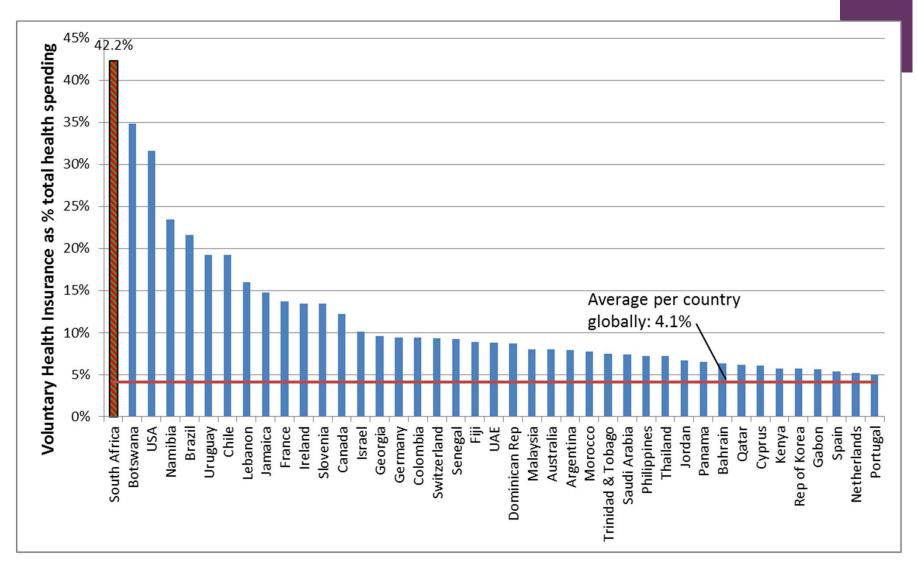
| Year | Crude birth Life expectancy at birth |      |        |       | Infant    | Under 5   | Crude      |
|------|--------------------------------------|------|--------|-------|-----------|-----------|------------|
|      | rate                                 | Male | Female | Total | mortality | mortality | death rate |
|      |                                      |      |        |       | rate      | rate      |            |
| 2002 | 24,4                                 | 51,1 | 55,7   | 53,4  | 57,8      | 85,2      | 13,9       |
| 2003 | 24,2                                 | 50,5 | 54,8   | 52,7  | 56,2      | 83,5      | 14,5       |
| 2004 | 24,0                                 | 50,2 | 54,1   | 52,2  | 54,3      | 80,9      | 15         |
| 2005 | 23,8                                 | 50,2 | 53,9   | 52,1  | 52,0      | 77,4      | 15,2       |
| 2006 | 23,6                                 | 51,0 | 54,8   | 53,0  | 49,4      | 72,9      | 14,5       |
| 2007 | 23,4                                 | 57,2 | 56,6   | 54,7  | 45,8      | 67,4      | 13,4       |
| 2008 | 23,2                                 | 53,8 | 58,1   | 56,0  | 45,0      | 64,7      | 12,6       |
| 2009 | 23,1                                 | 55,1 | 59,4   | 57,3  | 40,9      | 59,9      | 11,8       |
| 2010 | 23,0                                 | 56,1 | 60,3   | 58,2  | 38,9      | 53,8      | 11,4       |
| 2011 | 22,8                                 | 56,6 | 60,6   | 58,7  | 37,8      | 50,4      | 11,3       |
| 2012 | 22,7                                 | 57,6 | 61,3   | 59,3  | 36,8      | 48,3      | 11,0       |
| 2013 | 22,6                                 | 58,2 | 62,1   | 60,2  | 35,2      | 45,6      | 10,7       |
| 2014 | 22,4                                 | 59,1 | 63,1   | 61,2  | 34,4      | 44,1      | 10,2       |

Source: Statistics South Africa (2014): Statistical release P0302. Mid-year population estimates, 2014

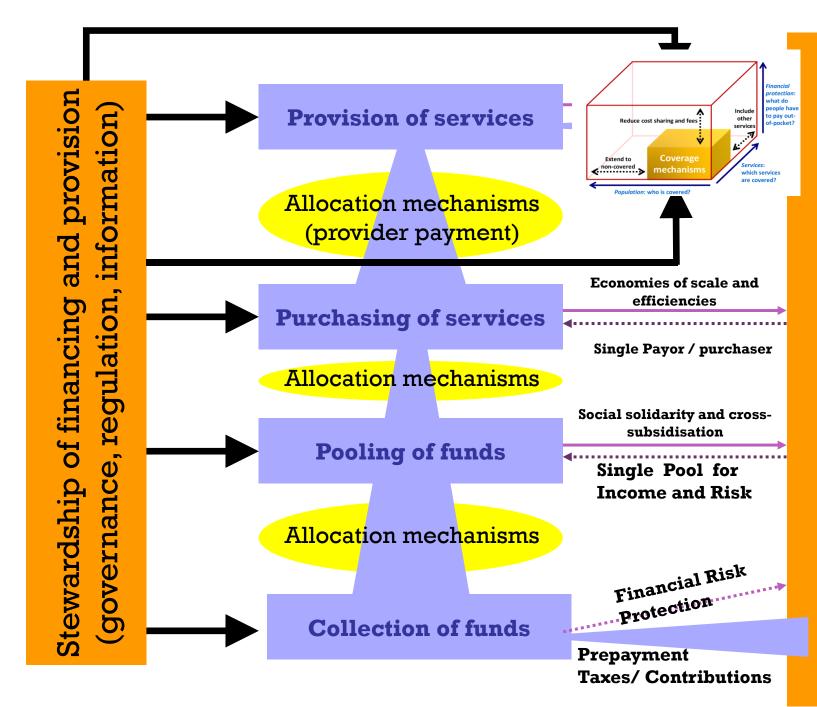


#### SOUTH AFRICA IS AN OUTLIER:

#### WORLD'S LARGEST SHARE OF SPENDING FROM VHI



Source: WHO estimates for 2012, countries with population > 600,000





#### IMPLEMENTATION PHASES AND PROPOSED TIMELINES

#### PHASE 1

- 1. Development of Enabling Legislation
- 2. PHC Reengineering
- 3. Establishment of Office of Health Standards Compliance
- 4. Quality Improvement
- 5. Health Facility accreditation
- 6. Human resources development
- 7. Health facility improvement (infrastructure / technology)

#### PHASE 2

- 1. Population registration
- 2. Establishment of institutional arrangements for the NHI fund
- 3. Provider accreditation
- 4. Contracting of Providers

#### PHASE 3

- 1. Full implementation of NHI
- 2. Provider accreditation
- 3. Contracting of Providers

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2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025

### Core Units Of NHI Fund

- 1.Planning and Health Service Benefits Development
- 2. Population Registration
- 3.Accreditation
- 4.Contracting
- 5. Provider Payment
- **6.Central Procurement**
- 7.Price Determination, Economic Evaluation and Health Technology Assessment
- 8.Audit
- 9. Risk and Fraud Prevention Unit
- 10.Performance, Research Monitoring and Evaluation
- 11.Investment and Solvency Unit

## + National Strategy **To Improve Medicine Availability**





# + "An opportunity to reshape the pharmacy profession"

## NHI White Paper - need to utilise all available professional resources

- Engagement will require a unified profession with a common vision & purpose
- The NHI Pharmacy Forum was established with the following ideals;
  - Inclusive approach
  - Consultative process based on democratic principles
  - Utilisation of extensive expertise within our profession
  - Focus always patient-centric

The Forum Academia Manufacturing Wholesale & Community & Pharmacy Distribution Institutional Information Regulatory Technology **Bodies** 

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# NHI Pharmacy Stakeholders Forum objectives:

- ✓ to create a comprehensive document outlining various roles pharmacy can play within NHI environment
- ✓ to allow for standard setting, quality control & measurable outcomes to ensure quality pharmaceutical care for all
- to explore new models of care that can be delivered through or by pharmacy
- provide a coherent narrative for the profession's role in the NHI,

## + Expanded role of the pharmacist

Collaborative practice

Disease management

Patient care –
preventative
healthcare, patient
education, screening

Medicine supply chain specialists – availability of medicines

Rational drug use – development of formularies

Antimicrobial stewardship – reducing antibiotic resistance

Adverse event management – ADR reporting, complex patient

Authorised prescriber



## + Services of Pharmacy



- Dispensing medication
- Pharmacist Advised Therapy PAT
- Direct patient interventions

#### Advanced Services

- Medicine management
- NCD screening
- Adherence
- Medicine treatment plans
- PHC / PCDT services

#### Local Advanced Services

- Disease Management and Education
- Lifestyle interventions (eg Smoking Cessation)
- NIMART PrEP



## + SAPRAA



Skills Development

- Capacity building
- Training
- Job creation



Evidence Generation

- In the public interest
- Transparency
- Create clinical data
- repositories for use by clinicians



System Strengthening Secure procurement

- Ensure technology to track supply
- Reduce Risk in the supply chain

## + SAPRAA



- Monitoring and Evaluation
- Surveillance mechanisms (Pharmacovigilance)
- Impact assessments
- Traceability
- Waste assessment
- Introducing new medicines into NHI-Personalized medicines
- Data mining for planning strategies



# Policy and Planning

- Medicine access
- Policy advocacy
- Resource optimization
- Feasibility analysis
- Project management
- Transactional Advise Flexible finance models

## + Preparing the environment

The Regulator must ensure that there is an **enabling environment** for pharmacy healthcare professionals whilst maintaining **patient safety** and **quality healthcare**.

#### Focus Areas:

- Policy / Regulatory
- Work Force
- Education & Training
- Standards

