

The Role of the Private Sector in Assisting with Effective NHI Implementation (and Design?)

National Health Insurance

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Which private sector voice is speaking?

- Members of Business Unity South Africa (BUSA)
- Constituted the NHI Task Team which has been working for several years on establishing a common approach to National Health Transformation in South Africa
- Focusing on the big organised private sector – large business in the broad sense
- Beyond the private healthcare sector
- We see business as:
 - An employer depending on a healthy workforce
 - A significant contributor to the national fiscus – including the funding of healthcare in both public and private sectors
 - An important partner in development of the healthcare system – often related to corporate social investments in healthcare and other socio-economic development initiatives
 - A critical stakeholder in sustaining and growing the economy

The basis and intent of our argument

Why should we be involved?

- There is a growing recognition that business is an institution of society.
- As such, it must contribute meaningfully to the positive shaping and evolution of society – in the interests of the country and all who live in it.
- We don't believe that – in the long term – it's possible to have a healthy and sustainable business in an unhealthy society.

What do we want to do?

Recognising that...

- The current health care system is neither equitable nor sustainable
- Access to affordable, good quality and sustainable healthcare to all South Africans cannot be negotiable
- The challenge we face is a “wicked problem” which cannot be solved through a simple formula – and the suite of solutions must be transformational in the true sense

We wish to...

- Elevate the conversation to one of nationhood – on an issue that is important to all of us
- Contribute to mobilising a broad and inclusive range of stakeholders to establish solutions for the common good
- Be part of a great opportunity to make South Africa a better place

The challenge – ‘macro’ landscape enabling or constraining success

The landscape within which....

- Inequality, unemployment, poverty and slow economic growth
 - Financial funding and sustainability of the NHI is premised on a targeted economic growth of 3.5% per annum
- Social cohesion vs. conflict
 - The national narrative is characterised more by conflict than social cohesion – with low trust levels between a broad range of stakeholders
- Governance
 - In the setting of low levels of trust, demonstration of good governance must be clearly seen – in all aspects of consolidation of funds to a central pool, increasing power in managing supply chain costs, and decentralisation of decision-making in service provision
 - Accountability and holding people to account is key
- Regulatory frameworks and their interrelationships
 - Is more than just policy reformation and alignment – it needs to work in practice.... Without friction

Despite their complexity, the challenges are not insurmountable – assuming that a shared vision and the requisite will is present.

.... National Health Transformation must be implemented

The challenge – ‘micro’ issues relating to design and implementation

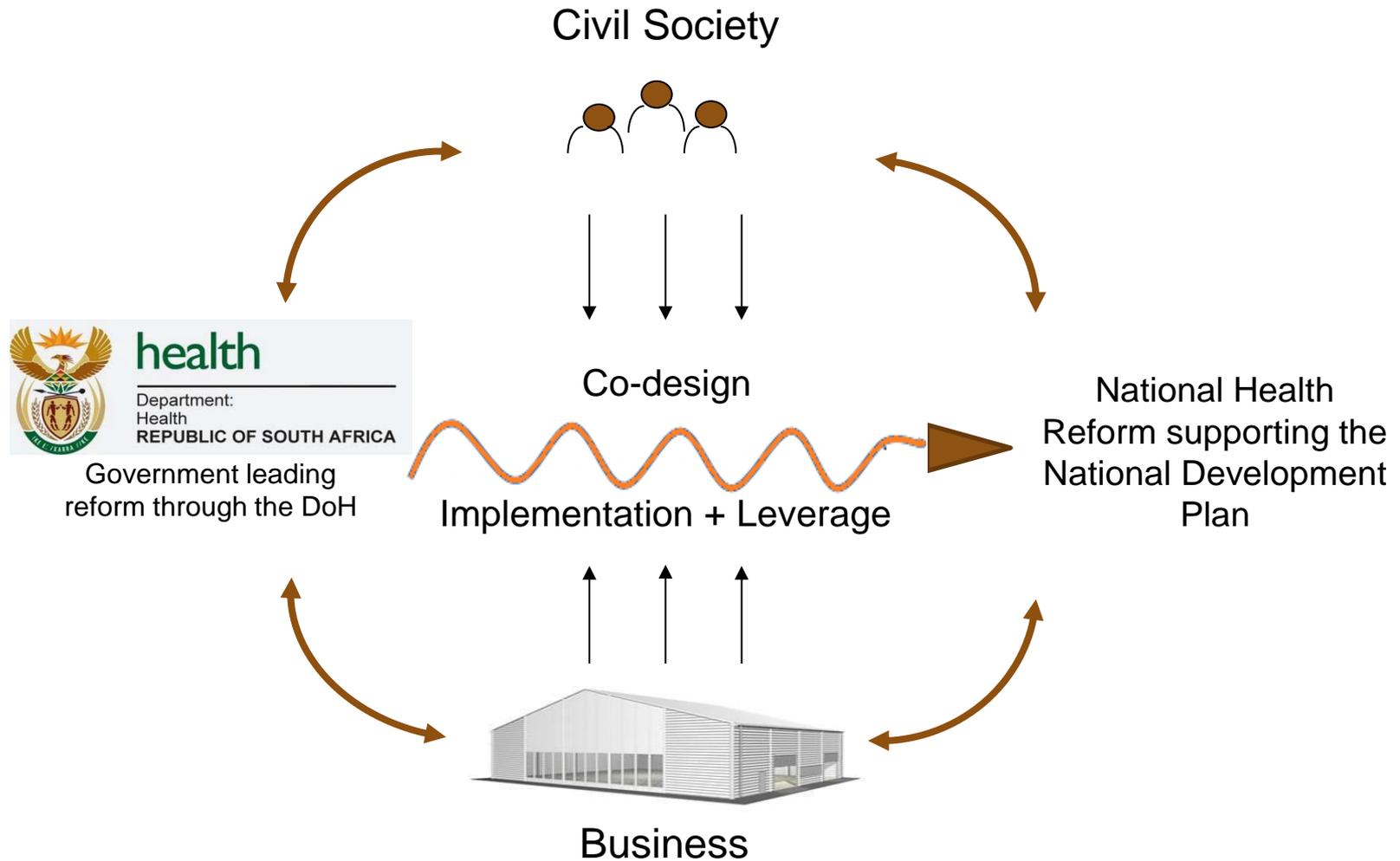
Areas where work needs to be done....

- NHI financial and funding models
 - Reasonable understanding of “how much will NHI cost?” vs. “what will be the cost of NOT implementing a National Health Transformation?”
 - Real opportunity for co-design and exploring innovative financing models
- People – skills development, availability and retention
 - We’ve recognised this problem for years, but there’s been little progress – managerial and technical
 - There has to be an opportunity for collaboration here
- Processes enabling execution
 - Focus on disease management and referral processes is important
 - Opportunity to leverage of embedded business competence in other areas such as project management, support processes across the value chain
- “Hard” and “soft infrastructure”
 - Opportunities include identification of spare capacity with use of existing supply chain systems, channels of distribution and information/knowledge management systems
 - A collaborative approach sets the basis for leverage and innovation

.... And where business can be part of the solution

Proposed value proposition for collaboration

Underpinned by a philosophy of the greater good and mutual benefit....



.... Rather than as profit motivated.

The untapped value that business brings

- A predisposition for action – project management and execution
- Expertise in supply chain management
- Extensive channels of distribution
- Experience in efficiency AND innovation
- Knowledge management

Could it work?

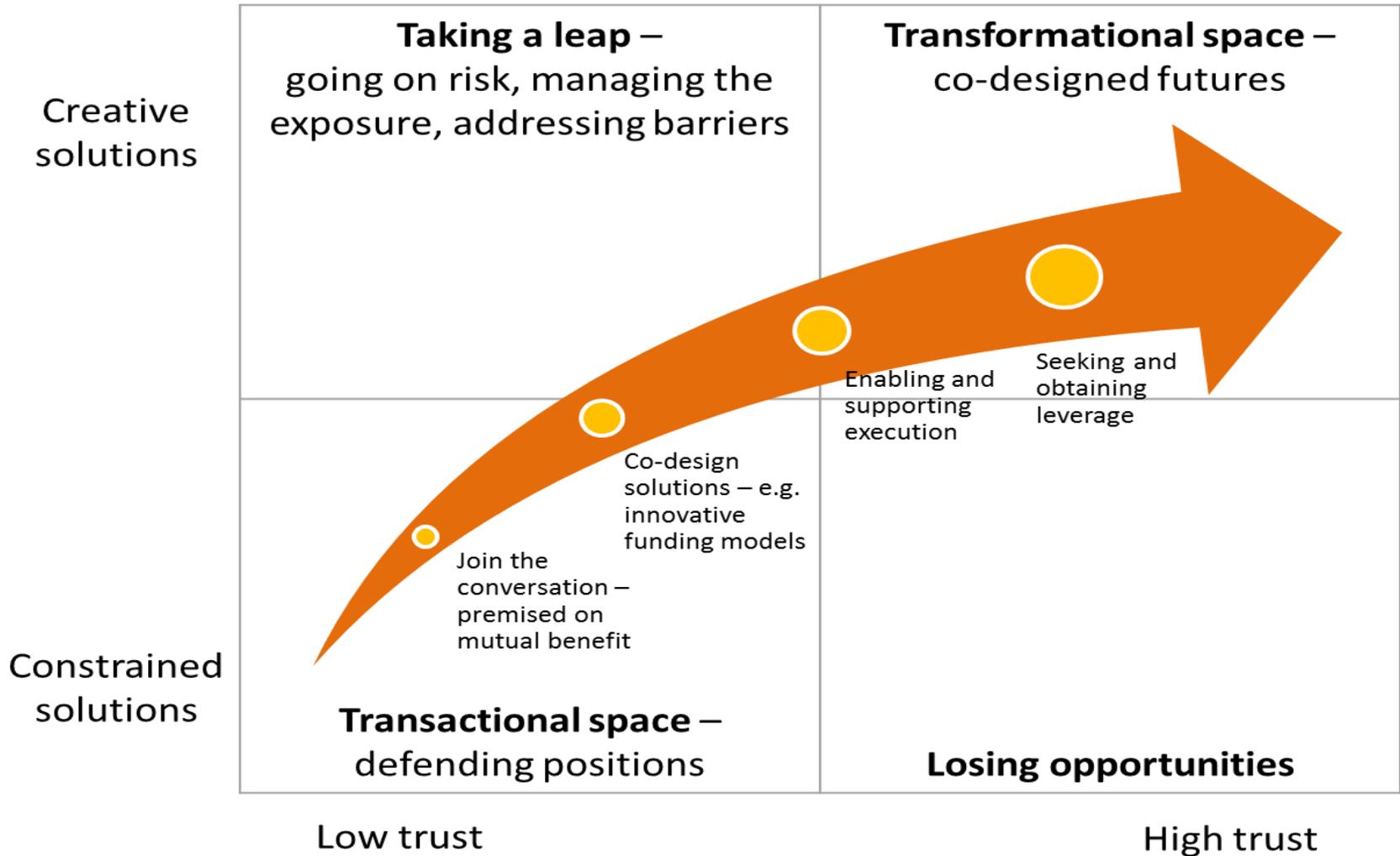
Experiences internationally, such as in the South Korean “miracle” have clearly demonstrated the success of a coherent and collaborative approach between Government, Business, Academia and Civil Society.

We’ve had our own recent small wins – collaborative efforts by the DoH, DMR and the Mining Industry to address the complex challenge of HIV/AIDS/TB in the industry.

And by the way.... We do have an amazing constitution which we built together.

A possible pathway to making it happen

Dealing with complex and “wicked” problems....



.... Needs a transformational approach.

Critical success factors

- Positive engagement with authentic caring
- Honest reflection without resorting to blame
- Establishing a common understanding of the challenges
- Achieving a shared view of the future
- Collaboration and co-designing solutions
- Managing risk and capitalising on opportunities
- Building capability
- Embracing accountability
- Addressing barriers
- Building trust
- Superb information and knowledge management
- Innovation

Where to from here?

Some soul searching required

How could we use health transformation as the sharp end of a much broader and necessary national transformation for the greater good?

And are we really tapping into the skills and talents of all of those in our midst – or are we more content to protect our partisan spaces?

Thank you