



HASA 2017
CONFERENCE

**THE
HEALTHCARE
PUZZLE**

integrating
healthcare



NATIONAL HEALTH INSURANCE

THE ART OF THE POSSIBLE

HASA Conference

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PRIORITY SERVICE LINES UTILISE PRIVATE SECTOR CAPACITY

- Critical service lines prioritised to alleviate backlog
 - Maternity, cataract surgery and hip & knee arthroplasty
- Private hospital sector can assist by undertaking a percentage of these cases at lower cost
- Pharmaceutical items and prostheses procured at state tender prices can be used
- Utilising available capacity at private hospitals, focusing on rural areas where there is a greater need
- Independent doctors in private practice and government doctors can be involved

HUMAN RESOURCES FOR HEALTH AUDIT AND DETAILED PLAN

- Need a better understanding of the shortage
- Need a proper human resources audit followed by a detailed action plan
- National training programme should pool resources across public and private to build capacity
- Private sector already making a significant contribution towards the training of nurses
- Private sector can play a role in the training of doctors

SCHOOL HEALTH PROGRAMMES TO AID EDUCATION

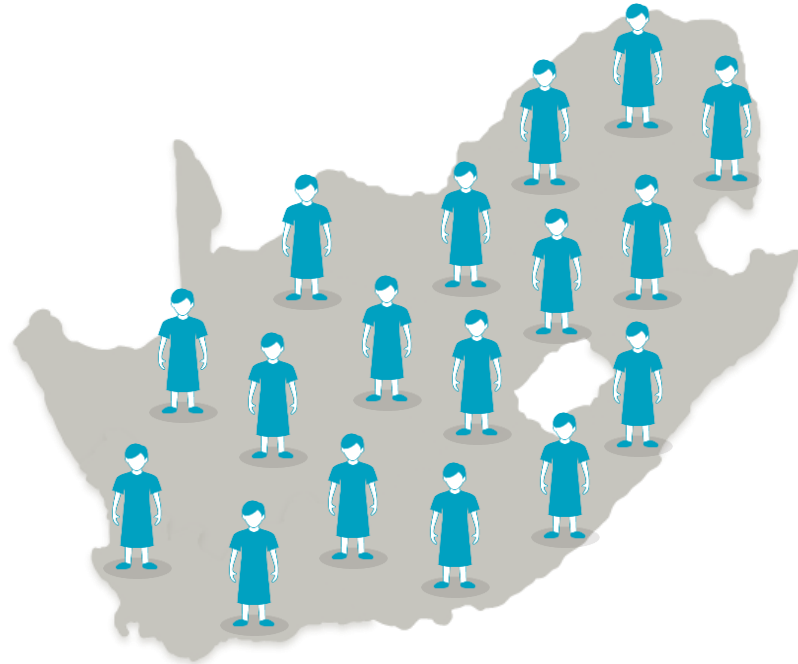
- Private hospitals can partner with government to roll out school health screening programmes
- Urban and rural private hospitals can take responsibility for schools with limited access to healthcare
- Facilitated by nurses and/or allied healthcare professionals

PRIMARY HEALTHCARE BASIS OF UNIVERSAL ACCESS TO HEALTHCARE

- Universal access to healthcare places strong emphasis on primary healthcare delivery
- Private hospitals can assist by managing primary healthcare clinics close to their facilities
- Alternatively innovative solutions involving private hospital emergency units and private primary healthcare facilities can be explored

EXPANDING ACCESS

Healthcare Services Model for the Uninsured



TARGET MARKET

UNCOVERED 'MIDDLE-MARKET'

- Formally employed with household incomes between R6 400 and R16 000 per month (potential national market of 6.9 million individuals¹)
- Uninsured for medical expenses thus exposed to risk of significant out of pocket payments
- High incidence of non-communicable diseases
- Prefer cover for primary healthcare services; willing to pay up to R350 per month²

Source:

(1) Eighty20 Group analysis of StatsSA 2011 data

(2) LIMS study 2005; survey by Eighty20 Group in 2015

SCOPE OF SERVICES

- Healthcare facility focussed predominantly on primary and preventative health services
- Managing 45-50 conditions that meet 85% of basic healthcare needs of market
- Clinical protocols and standardized processes for core services to improve the health of the population and reduce costly medical interventions

Source:

(1) Eighty20 Group analysis of StatsSA 2011 data

(2) LIMS study 2005; survey by Eighty20 Group in 2015

DELIVERY MODEL

- Low cost high quality private Community Clinic positioned between Tier 1 and Tier 2 provincial facility with referral to tertiary facility where appropriate
- Team based healthcare delivery with robust care coordination, led by nurse and/or doctor
- Electronic health record system supporting rigorous measurement and monitoring of clinical outcomes

Source:

(1) Eighty20 Group; Insight Actuaries LCBO estimate; Discovery Health LCBO estimate

(2) Eighty20 Group survey

FUNDING MODEL

- Reimbursement through a capitation fee with some components requiring fee-for-service
- Requires an appropriate and affordable pre-funding mechanism
 - Estimates range between R250 and R380 per individual per month for a package of services¹
 - Roughly 74% of employers in the area surrounding the Parow pilot site would provide a subsidy for at least 50% of their employees²
- Actuarial validation of utilisation and product pricing

Source:

(1) Eighty20 Group; Insight Actuaries LCBO estimate; Discovery Health LCBO estimate

(2) Eighty20 Group survey

SUMMARY

Through pursuing partnerships the private sector can potentially play an important role in delivering on the objectives of NHI.

As such it is vital that greater interaction and collaboration is achieved between healthcare role players to ensure that we identify opportunities to broaden access to healthcare.



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THANK YOU!

