

BUSA NHI Bill Fact Sheet: on the submission made to the Parliamentary Portfolio Committee on Health on 29th June 2021

1. As the apex organised business entity representing South African business, BUSA and its members support the objectives of the NHI Bill as set out in the Preamble. We support the overarching goal of universal access to quality healthcare services (in accordance with Section 27 of the Constitution) for all South Africans. We are mindful that South Africa is one of the most unequal societies in the world and that health financing arrangements therefore have to achieve a substantial redistribution of resources. We recognise that access to healthcare and services is both a requirement for individual and family wellbeing and quality of life, and also a determinant of productive livelihoods, in local communities, places of work and the economy as a whole. As an active private sector representative body, we are supportive of policy changes that will stimulate productivity and economic growth in South Africa.
2. There is much in the NHI Bill with which BUSA, and its members are in agreement. We agree that there should be universal health insurance coverage. We agree that a common approach to the accreditation of health facilities should be adopted – whether one seeks care in a publicly or a privately-owned hospital, should not lead to differences in quality or reliability of care. We agree that referral pathways should be implemented, both for the protection and assurances they represent to users of health services and because they contribute to overall cost controls and avoidance of over-servicing.
3. Our main concern with the Bill is with the limitation of rights of the private sector to continue to conduct business after full implementation, as contained in Section 33. We show in our submissions that such a limitation effectively undermines the role of medical schemes and therefore the entire private healthcare system and will have a negative impact on the economy as a whole. South Africa needs policy certainty in order to attract investment and improve its credit status. The uncertainty introduced by section 33 impacts negatively on business confidence, investment, economic growth, and employment, at a time SA is in dire need for investment and growth. This is a concern to BUSA as a stable business environment where workers can be productive and companies can invest, is crucial for our members and the South African population in general.
4. We are also concerned that the Bill and its Explanatory Memorandum do not demonstrate that the limitation of rights imposed is indeed in the interest of social welfare and that the aforementioned objectives could not have been achieved through alternative models that are more targeted and less invasive.

5. We emphasize in our submissions the unintended and detrimental consequences of this restrictive and invasive policy stance. In addition, we are of the view that alternative solutions exist. It is entirely feasible (and will be ultimately optimal), to utilise the resources and capabilities of both the public and private sectors to achieve the goal of equitable access to quality healthcare for all, which is so vital to human dignity and addressing the inequality that presently exists in the healthcare system.
6. BUSA has been an active participant in the Health Compact process initiated by the Presidential Health Summit and is committed to contributing to the strengthening of the South African health system.
7. Our submission was structured as follow:
 - i. We commence with an overview of BUSA, its members and position in support of universal healthcare coverage (UHC).
 - ii. Analysis of the expected economic impact of the NHI Bill, especially given a weak and fiscally constrained macro-economic environment.
 - iii. Unintended and detrimental consequences of section 33. There is no clear rationale for section 33 and there are alternative ways of reaching this goal.
 - iv. Legal issues and potential challenges arising from the Bill.
 - v. Evidence that shows that cross-subsidising by private providers of their income between the public and private sectors can achieve the same goals as a single public fund. This will ensure the sustainability of the healthcare system.
 - vi. The transition to NHI must be a phased approach and milestones must be defined.
 - vii. Issues of governance have to be addressed to ensure buy-in from all stakeholders.
8. The submission is based on extensive research by experts in the field. We reference the research throughout our submission and include these as Annexures. The Annexures to the BUSA written submission to the Parliamentary Portfolio Committee on Health contain a wealth of research and data which we believe will inform the work of the Committee in considering the impact of the detail of the NHI Bill.