

Summary of Key Recommendations

Private Health Sector Indaba
September 2007

Principles

- Transparency
- Patient Safety
- Cost containment
- Improving quality of health
- Improving efficiency
- Ethical practices
- Improved access and equity

Legislative/ Regulatory Reform

- Almost all clusters called for strengthening of regulations and legislative framework
- Number have agreed that self regulation has not worked. Therefore government needs to intervene
- Regulations seen to create certainty, stability, transparency, and be able to contain costs
- Integrated regulatory system, rather than fragmented system.

Legislative/ Regulatory Reform

- All components of system need to be regulated and not just one component.
- Special call to regulate private hospitals.
- Regulations for unregulated sectors eg devices, equipment and CAMS

Legislative/ Regulatory Reform

- Statutory prohibitions against:
 - doctor ownership of shares in hospitals
 - direct / indirect hospital ownership / control of emergency transport services and pharmacies
 - kickback arrangements for medical supplies

Reimbursements/Tariffs

- Alternative reimbursement models
- Maximum prices to be set
- NHRPL process endorsed and should be strengthened. Must be transparent and establish true costs
- Central bargaining process for tariff setting
- Requirements and constraints of Competition Act must be looked at.

Reimbursements/Tariffs

- Public and Private Healthcare - Primary care driven
- Reduce Administrative Burden
- Review barriers of entry in private healthcare
- Transparency in private hospital tariffs

Benefit Designs

- PMBs must be reviewed to look at benefit design
- Review payments for PMBs to prevent uncontrolled claims
- Review primary care benefit
- Revisions to the medical scheme benefit framework, to ensure benefit offerings between schemes can be compared to increase competitiveness

Human Resources

- Urgent strategy to produce, recruit and retain skills in the health sector.
- Shared training initiatives to improve skills
- Urgent focus on training of nurses
- Review training of doctors and specialists
- Legislate patriotism

Public Private Interactions

- Should be encouraged to share resources
- Can be innovative
- Should create greater access and efficiency
- Code of Conduct

Organisation

- Review of private hospital system design and delivery models and employment of doctors by hospitals
- Sharing of Health Information Systems
- Modification of broker market to become fee-based
- Medical scheme governance reforms to strengthen operational independence of schemes from 3rd party contractors

Standards and Norms

- Enable control of quality and standards
- Medical device regulatory agency
- Independent Health Technology Assessment Unit
- Review of hospital licensing framework
 - National norms and standards on diversity of ownership
 - Conditionalities regarding undesirable and unethical business practice
 - Licensing according to national criteria

CONCLUSIONS

- Minister must intervene to create certainty and stability
- Indaba extremely useful, and ongoing interaction essential
- Transformation is essential, not reform
- ***‘Don’t just rock the boat, capsize it’***