



*The Road to Universal Coverage: Lessons from BRICS Countries*

# **SOUTH AFRICA'S MOVE TOWARDS UNIVERSAL COVERAGE**

## *Challenges & Lessons Learnt*

**HEALTH SYSTEMS RESEARCH SYMPOSIUM**

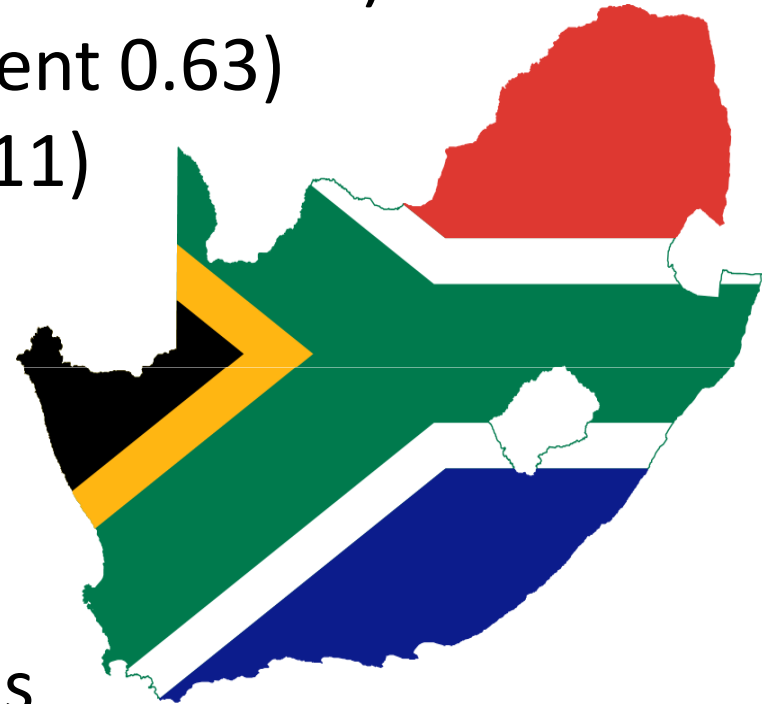
**Beijing, CHINA**

**Director-General, National Department of Health**

**31<sup>st</sup> OCTOBER 2012**

## South Africa

- Middle-income: \$10,360 GDP pc (PPP)
- Population over 50 million (>60% urban)
- High inequality (Gini-coefficient 0.63)
- Life expectancy 60 years (2011)
- High burden of disease
  - HIV & AIDS and TB (over 30%)
  - Maternal, new-born & child
  - Non-communicable
  - Violence, trauma & injuries
- ± 4,000 public sector facilities
- ± 27,000 independent practitioners



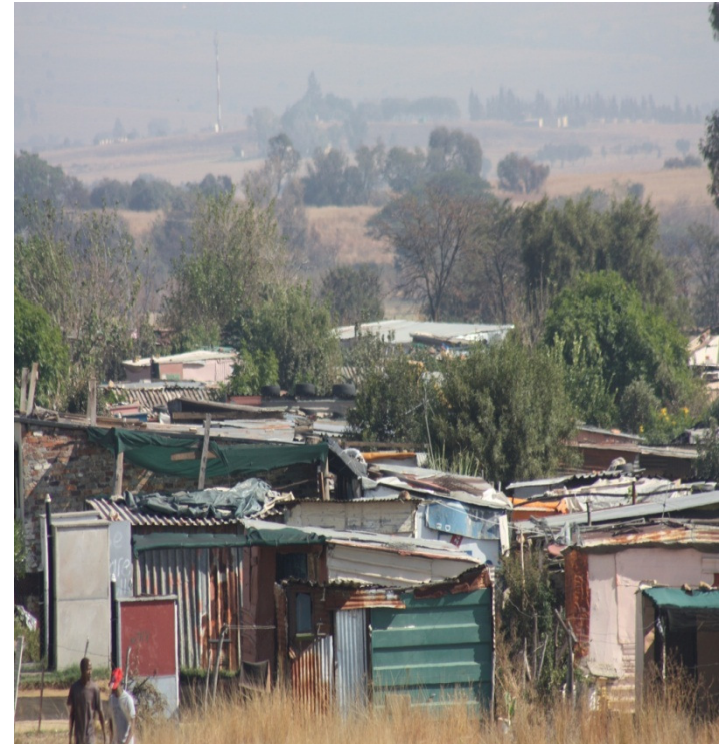


## Increasing Life Expectancy & Reducing U5M & IMR

LIFE EXPECTANCY AND ADULT MORTALITY (OUTPUT 1)				
INDICATOR	TARGET 2014	2009	2010	2011
Life expectancy at birth: Total	58.5 (Increase of 2 years)	56.5	58.1	60.0 ↑
MATERNAL AND CHILD MORTALITY (OUTPUT 2)				
INDICATOR	TARGET 2014	2009	2010	2011
Under-5 mortality rate (U5MR) per 1 000 live births	50 (10% reduction)	56	53	42 ↓
Infant mortality rate (IMR) per 1 000 live births	36 (10% reduction)	40	37	30 ↓
Neonatal mortality rate <sup>1</sup> (<28 days) per 1 000 live births	12 (10% reduction)	14	13	14 →
INDICATOR	TARGET 2014	2008*	2009	
Maternal mortality ratio <sup>2</sup> (MMR) per 100 000 live births	270 (Reverse increasing trend and achieve 10% reduction)	310	333 ↑	

# Approaches to reform

- Guiding principles
  - Equity
  - Access
  - Affordability
  - Accountability & transparency
- Pillars of reform
  - Financing
  - Service provision
  - Governance
  - Institutional arrangements



# Financing

- Health spend is 8.3% of GDP
  - 4.1% in the private sector for 16.2% of the population
  - 4.2% in the public sector for 84% of the population
- Move to universal NHI
  - Single fund entity
  - Sources (tax, pay-roll, innovative financing)
- Focus on:
  - Equity
  - Reduced fragmentation
  - Decentralization



# Service Provision (1)

- Current challenges
  - Public: comprehensive services, limited access
  - Private: Variable benefit options linked to price
  - Hospital centered delivery
- Pockets of excellence
- Move to Primary Health Care to address
  - Social determinants
  - Burden of disease (MMR, IMR, TB/HIV, NCDs)
  - Improve quality of services in hospitals



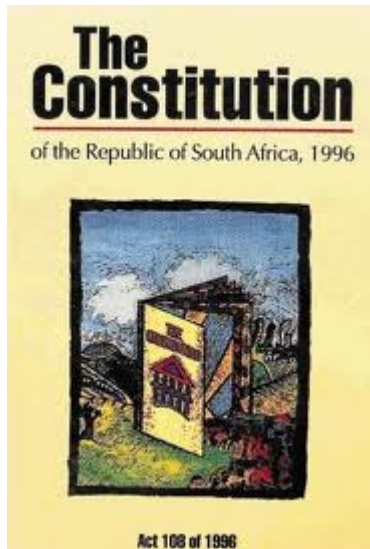
## Service Provision (2)

Decentralised services based on district health model

- Ward based municipal PHC teams
  - District specialist teams
  - School health services
  - Private GPs
- Quality
    - Office of Health Standards Compliance
    - Quality audits of all facilities
    - Quality Improvement teams
  - Academy for Leadership & Management
    - Competencies of all CEOs & District managers
    - Standards & accreditation
  - Human Resources for Health Strategy
    - WHO norms & standards



## Legislation



- Reviewing laws with implications for NHI
- Compliance with Constitution

- Enabling legislation eg:
  - Health service tariffs
  - Quality (Office of Health Standards & Compliance)
  - District Health Authorities





# Governance

- Devolved decision making
- Stakeholder participation
- Accountability at all levels
  - District Health Authorities
  - Hospital boards
  - Exploring Hospital Trusts
  - Exploring NHI Fund
- Challenges include:
  - relationship with medical (insurance) schemes



# Institutional Arrangements

- Three new institutions
  - Single NHI funder, publicly administered
  - Office for Health Standards & Compliance
  - Public Health Institute
- District structural reforms
  - Separate purchaser & provider functions
  - Strengthen districts (Contracting, planning, M&E, Delegated Finances, HR, Procurement, SCM)
  - ‘Autonomous, accountable providers’

# NHI Pilots: Objectives

1. To assess the ability of districts to assume greater responsibility with a 'purchaser-provider split'
2. To assess the feasibility, acceptability, effectiveness and affordability of engaging the private sector
3. To assess the costs of introducing a fully fledged District Health Authority and implications for scaling-up.

# Key Lessons

- Political **will** and oversight
- **Stakeholders:** proactively engage and encourage with participation
- **Universal coverage** an unwavering objective: health is a public good; social justice, equity and fairness as basis for reform
- **‘Hardware’** (infrastructure, HR etc) AND **‘software’** (culture, leadership) both critical
- Move from voluntary prepayment & OOPs to **mandatory prepayment**
- **Not a one-size fits all** set of reforms





health

Department  
Health  
REPUBLIC OF SOUTH AFRICA



*Every country is unique....*

*....Every reform is different*

**Thank You.**