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'NHI not silver bullet to health woes'

November 16 2012 at 02:34pm
By SAPA
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Introducing the National Health Insurance scheme alone would not increase access to healthcare, Public Investment Corporation (Pic) chief executive officer Elias Masilela said on Friday.

"I think NHI, to start off with, is a very complex policy," Masilela told the Cape Town Press Club.

He said it should be supported, but needed to be complimented by other investments, specifically in the private sector.

"What NHI does is it says we shall put money in your pocket so you are able to access health... that on its own is not going to solve the problem."

The fact that the bulk of health services were provided in the private sector effectively meant the aggregate demand for services had increased.

"If you don't do anything on the supply side for health what happens is the price goes up."

He added many people chose not to go to public clinics as it would simply take too much time.

"If you want to be in and out you're not going to the public sector... that effectively gives pricing power to the private sector providers."

Masilela said one way to combat this was to increase private and semi-private health service delivery.

"We've received approval for (investment in) two hospitals already and there's three or four in the pipeline," he said.

Some of the ventures were started by doctors who worked in state hospitals and wanted to start "something new" as a result of unhappiness over conditions in the public sector.

"That is a contribution in influencing the supply side of the situation... if we are able to do it right, then this additional purchasing power that we'd have enjoyed is now going to be met by these services."

The Pic is the investment arm of the Government Employees Pension Fund. - Sapa



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