
GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF HEALTH

NO. 1231

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NATIONAL HEALTH ACT, 2003**TERMS OF REFERENCE FOR THE NATIONAL HEALTH INSURANCE WORK STREAMS**

The Minister of Health hereby, in terms of Section 3(1) of the National Health Act, 2003, (Act No. 61 of 2003), publishes the Terms of Reference for the National Health Insurance Work Streams contained in the Schedule.

SCHEDULE**1. INTRODUCTION**

- 1.1 National Health Insurance (NHI) is a health financing system designed to provide access to quality, affordable health care services for all South Africans based on their health needs, irrespective of their socioeconomic status through pooling of funds and risks. NHI is intended to ensure that the use of health services does not result in financial hardships for individuals and their families. NHI represents a substantial policy shift that will necessitate a massive reorganisation of the current health care system, both public and private and also derives its mandate from the National Development Plan (NDP) of the country. NHI is a policy shift that will contribute towards poverty reduction and addressing the inequalities inherited from the past.
- 1.2 NHI will be implemented over a fourteen year period in three phases. As part of the phased implementation, the National Department of Health has established six work streams to provide technical support in the finalisation of the implementation plan for NHI. The work streams are not implementing entities but will make recommendations to the Department. The six work streams identified to support the phased implementation of NHI are:
- (a) Prepare for the establishment of the NHI Fund;
 - (b) Design and Implementation of NHI Health Care Service Benefits;
 - (c) Prepare for the purchaser-provider split and accreditation of providers;
 - (d) The role of medical schemes in an NHI environment;
 - (e) Complete NHI Policy paper for public release; and
 - (f) Strengthening the District Health System.

2. WORK STREAMS TERMS OF REFERENCE**2.1 Work Stream 1: Prepare for establishment of the NHI Fund**

- (a) Review current legislation, assessing the legal implications and required amendments to various laws to enable roles at different levels, as well as enabling the establishment of single, national purchaser; and make recommendations on legislation changes;

- (b) Recommend the sequencing of changes linked to what is feasible in terms of capacity at the different levels and identifying required interventions to build requisite capacity;
- (c) Guided by the Presidential Coordinating Committee (PCC) on Intergovernmental Functions and Fiscal Relations (IGFR) and the recommendations from the Financial and Fiscal Commission (FFC), advise on the appropriate intergovernmental consultation process;
- (d) Noting the content of the of the White Paper and noting the legal interpretations, consider how the reconfigured allocation of health services function and powers between different spheres of government and the resultant amendment to the funding flows can be optimised;
- (e) Based on the approved IGFR framework from the PCC on IGFR, and approved sources of funding for NHI, recommend the nature of Funds Allocations and Flows for personal health care services;
- (f) Based on the approved IGFR framework from the PCC on IGFR, recommend the decision making roles and accountability of institutions, providers and the health district level; and under which level of government they will fall;
- (g) Propose functions and funding for specific health services to be added to the NHIF on an incremental basis. Recommend options for incremental approaches;
- (h) Liaise with the Comprehensive Social Security Reform Process regarding alignment of health benefits;
- (i) Recommend the types of interim structures to be established prior to the full establishment of the NHI Fund;
- (j) Consider the governance and accountability options, based on good practice, available expertise and capacities, aiming for agility and minimized transaction and administration costs; and
- (k) Consider structure (type of entity, placement and internal design / organogram) and staffing requirements for the NHI Fund.

2.2 Work Stream 2: Design and Implementation of NHI Health Care Service Benefits

- (a) Develop an approach to the health benefits policy that draws on best practice;
- (b) Utilize the extensive work that has already been done on packages of services in PHC and priority programmes (e.g. HIV/TB, RMNCH, NCDs, etc) to recommend the design and implementation of the primary health care package (Ideal Clinic Model), Emergency Medical Services (EMS) and Hospital Packages;
- (c) Develop an approach to on-going revisions to the costing of health care service benefits to be covered under NHI using the public service benefits as a point of departure; and
- (d) Recommend various approaches for establishment of health technology assessment capability for clinical interventions, pharmaceuticals and technologies.

2.3 Work Stream 3: Prepare for the Purchaser-Provider Split and accreditation of providers

- (a) Propose the optimum service delivery configuration to be incentivised through the NHI Fund (mix of public and private providers; looking at current organization of providers and how they should change);

- (b) Review contracts from other countries. Consider ways for institutionalizing results based purchasing/active purchasing, piloting and promotion. Pilot purchasing and contracting with public and private providers;
- (c) Recommend approaches to be used to contract with independent multidisciplinary group practices at a PHC level;
- (d) Propose national information requirements for purchasing, including enrolment/registration that empowers users and provider payment;
- (e) Recommend strategies for registering facilities and providers in the public and private sector in preparation for accreditation by the NHI Fund;
- (f) Engage with districts and providers to explore their role and clarify what they must do to prepare for contracts and possible capitation based NHI funding arrangements;
- (e) Consider and recommend other alternative forms of other reimbursement reforms including DRGs and capitation and where appropriate, other forms of reimbursement;
- (f) Recommend changes required to national PFM rules and practices that allow for the introduction of performance based funding of providers through the NHI Fund;
- (g) Recommend the incentives to be considered for contracting public and private providers; and
- (h) Explore and recommend common approaches to be used to address high cost services.

2.4 Work Stream 4: The role of medical schemes in an NHI environment

- (a) Recommend a strategy for a unified information system for beneficiary and provider registration and reimbursement;
- (b) Consider and propose transition stages where the role of medical schemes will change to offering complementary benefits and the required changes to the Medical Schemes Act; and
- (c) Consider a review of and determine strategies for reallocation of tax subsidies for medical schemes towards the NHI Fund.

2.5 Work Stream 5: Finalisation of the NHI Policy Paper

Finalise the NHI Policy paper for public release by Government.

2.6 Work Stream 6: Strengthening of District Health System

- (a) Recommend strategies to drive a balanced shift from a hospi-centric approach to a reengineered PHC approach within a District Health System;
- (b) Determine the necessary capacities i.e. institutional and organisational, that are required for a fully functional and effective District Health Management Office;
- (c) Recommend strategic interventions that should be implemented as part of strengthening District Health Management offices in the areas of service planning, decision making, and monitoring and evaluation among others;
- (d) In consideration of the outputs of the benefits package work stream, develop/strengthen mechanisms for district health plans to identify service needs taking into account the demographic and epidemiological profile of the district catchment population;
- (e) Propose criteria and mechanisms for contracting of multi-disciplinary service providers at the district level, based on the need in that district;

- (f) Develop approaches for co-ordinating the provision of health services at a PHC level through accredited clinics, CHC's, and private PHC providers operating within multi-disciplinary practices; and
- (g) Propose interventions for ensuring that the referral system is functional and that Emergency Medical Services and planned patient transport are able to transport patients between the different levels of care.

3. WORK STREAM TECHNICAL TEAMS

The technical teams for the work streams are appointed for a period of 18 months and will consist of external experts and internal departmental officials dedicated to undertaking and coordinating the planned activities. External technical specialists in health economics, health financing, public health and health systems strengthening will be contracted on a part-time basis to provide technical inputs into work undertaken including preparation of interim and final reports. The following individuals will be members of the work streams:

3.1 Work Stream 1: Prepare for establishing the NHI Fund

(a) Lead:

- (i) Prof Diane McIntyre

(b) Full-time

- (i) Dr Jane Doherty
- (ii) Dr Aquina Thulare

(c) Part-time

- (i) Professor Narnia Bohler-Muller
- (ii) Dr Mark Blecher
- (iii) Ms Wendy Fanoë
- (iv) Ms Dumebi Ubogu
- (v) Dr Joseph Kutzin (World Health Organisation)

3.2 Work Stream 2: Design and Implementation of NHI Health Care Service Benefits

(a) Lead:

- (i) Dr Yogan Pillay

(b) Full-time

- (i) Dr Jane Doherty
- (ii) Mr Kuben Pillay

(c) Part-time

- (i) Dr Terence Carter
- (ii) Professor Charles Hongoro
- (iii) Prof Diane McIntyre
- (iv) Dr Filip Meheus
- (v) Professor Karen Hoffman
- (vi) Dr Kalipso Chalkidou (UK-NICE)
- (vii) Mr. Moremi Nkosi
- (viii) Dr Joseph Kutzin (World Health Organisation)

3.3 Work Stream 3: Prepare for the purchaser-provider split and accreditation of providers**(a) Lead:**

(i) Dr Anban Pillay

(b) Full-time(i) Mr Kuben Pillay
(ii) Dr Thabiso Makola**(c) Part-time**(i) Professor Diane McIntyre
(ii) Dr John Ataguba
(iii) Mr Moremi Nkosi
(iv) Dr Joseph Kutzin (World Health Organisation)**3.4 Work Stream 4: The role of medical schemes in an NHI environment****(a) Lead:**

(i) Mr Vishal Brijlal

(b) Full-time

(i) Mr Moremi Nkosi

(c) Part-time(i) Mr Thulani Matsebula
(ii) Dr Keith Shongwe
(iii) Dr Humphrey Zokufa
(iv) Dr Aquina Thulare
(v) Dr Joseph Kutzin (World Health Organisation)**3.5 Work Stream 5: Finalisation of NHI policy paper****(a) Lead:**

(i) Dr Aquina Thulare

(b) Full-time

(i) Mr Moremi Nkosi

(c) Part-Time(i) Professor Diane McIntyre
(ii) Dr John Ataguba
(iii) Professor Narnia Bohler-Muller
(iv) Professor Charles Hongoro
(v) Dr Joseph Kutzin (World Health Organisation)

3.6 Work Stream 6: Strengthening of District Health System**(a) Lead**

- (i) Mr Ramphelane Morewane

(b) Full-time

- (i) Dr Thabiso Makola

(c) Part-time

- (i) Professor Jannie Hugo
- (ii) Dr Yogan Pillay
- (iii) Ms Jeanette Hunter
- (iv) Ms Sheila Barsel
- (v) Dr Joseph Kutzin (World Health Organisation)