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THE HEALTHCARE PUZZLE

integrating
healthcare

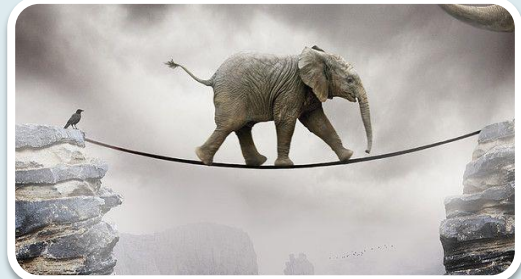




Disillusionment



Discomfort



Do Something

DISILLUSIONMENT



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An artefact of history, not a product of design.

Apartheid

Separate
development

Two-tier
economy

Baked-in
income
inequality

Systemic differences in service
delivery by race and geography



Unpalatable inequity.

Private: public
= 4:1

Access
(urban/rural,
public/private,
regional)

Outcomes

Supply-side

Utilisation



Structurally sub-optimal.

Wasteful

Silo
arrangements

Misaligned
Incentives

Fragmented

Poor quality

Low accountability



**We have an urgent need to
redesign our health system.**

DISCOMFORT



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Continued existence

Business model

Profit/livelihood

Freedom of choice

Access to quality care



~~IM~~POSSIBLE

Trust

Certainty

Not a closed system

Vested interests

Process. Governance. Transparency. Collaboration.



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DO SOMETHING

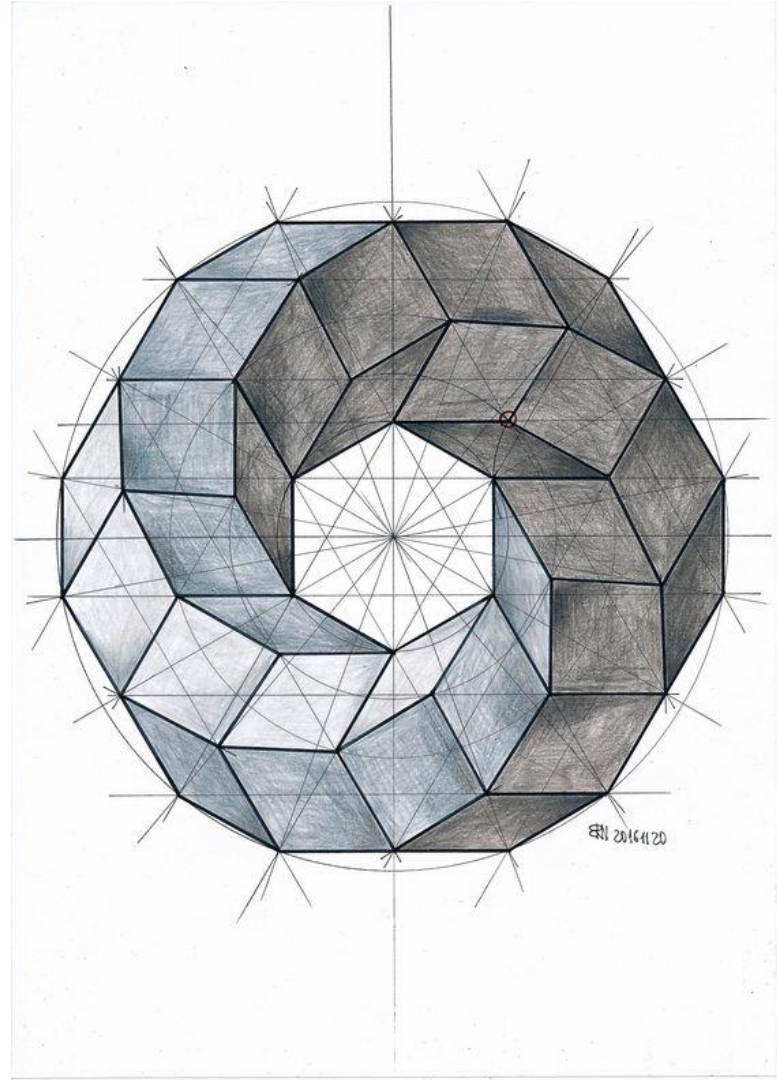


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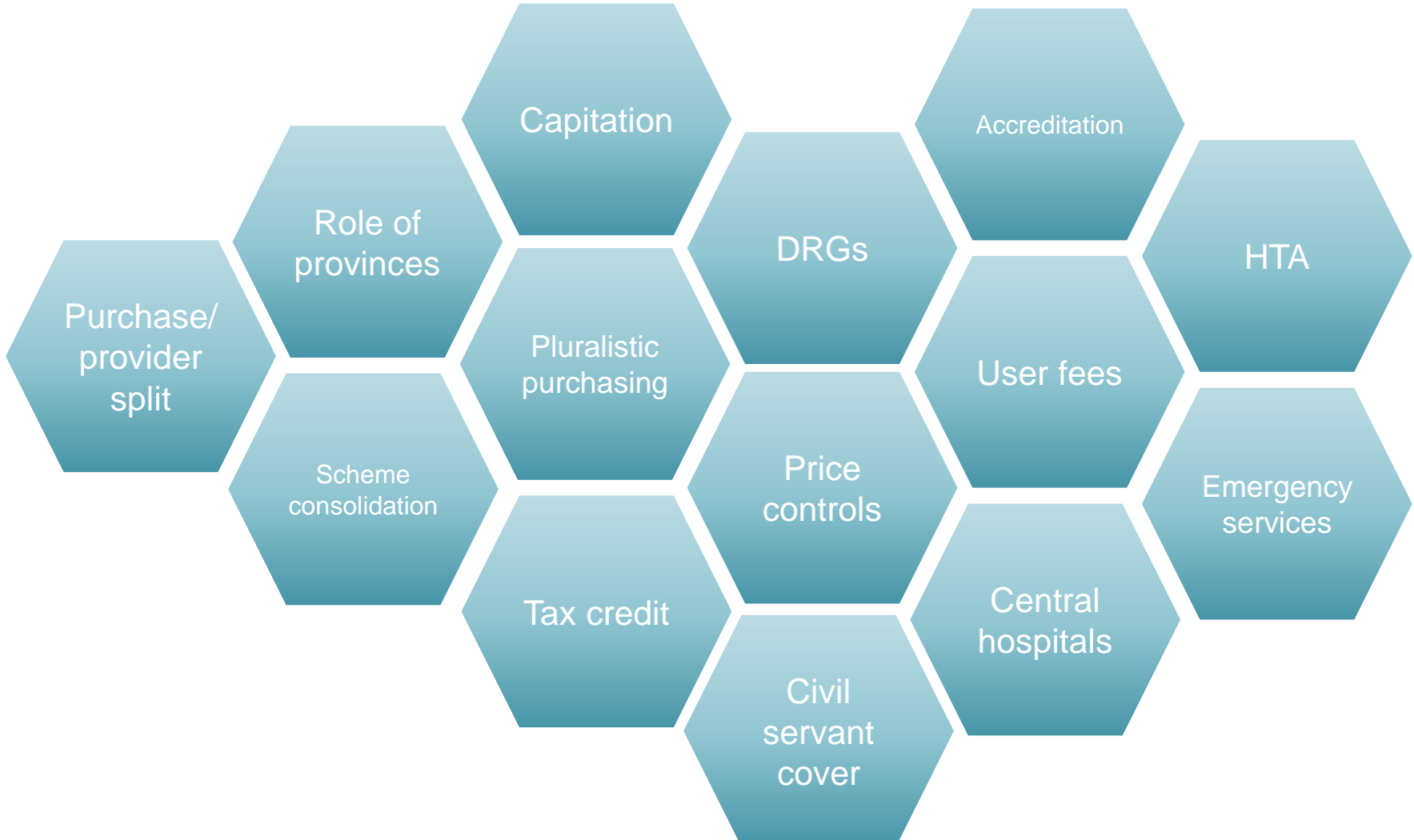
National Health Insurance

Short hand for a series of complex, interconnected, large-scale and long-term reforms.

Changes to financing, purchasing and delivery of health care.



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Purchase/
provider
split

Role of
provinces

Capitation

Accreditation

DRGs

HTA

Pluralistic
purchasing

User fees

Scheme
consolidation

Price
controls

Emergency
services

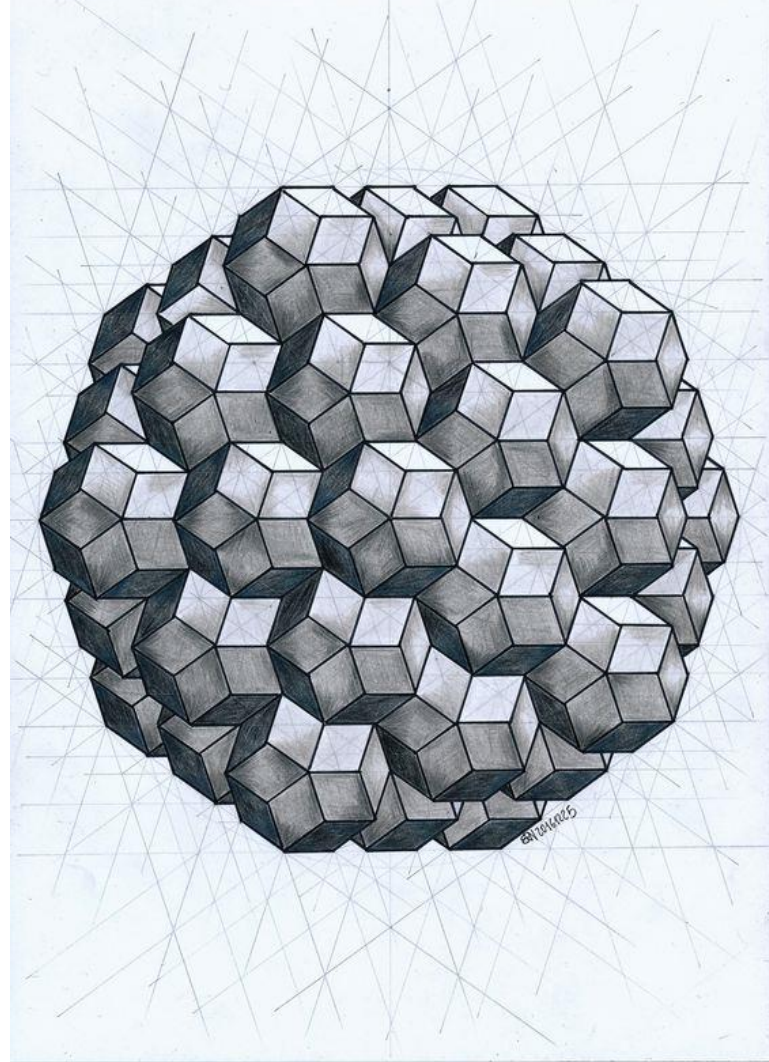
Tax credit

Central
hospitals

Civil
servant
cover

Complexity

Each reform requires political will, legislative change and careful design...all without losing sight of how the reforms inter-connect.



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Multiple pathways

Iterative policy design processes that allow for reflection. Risk of stasis because of decision complexity. Require forward momentum on multiple fronts.

Combination of strong leadership with multi-stakeholder processes, supported by strong technical capability.



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Where to start?

Quality
Improvement

Pluralistic
Approaches

Supply-side re-
engineering

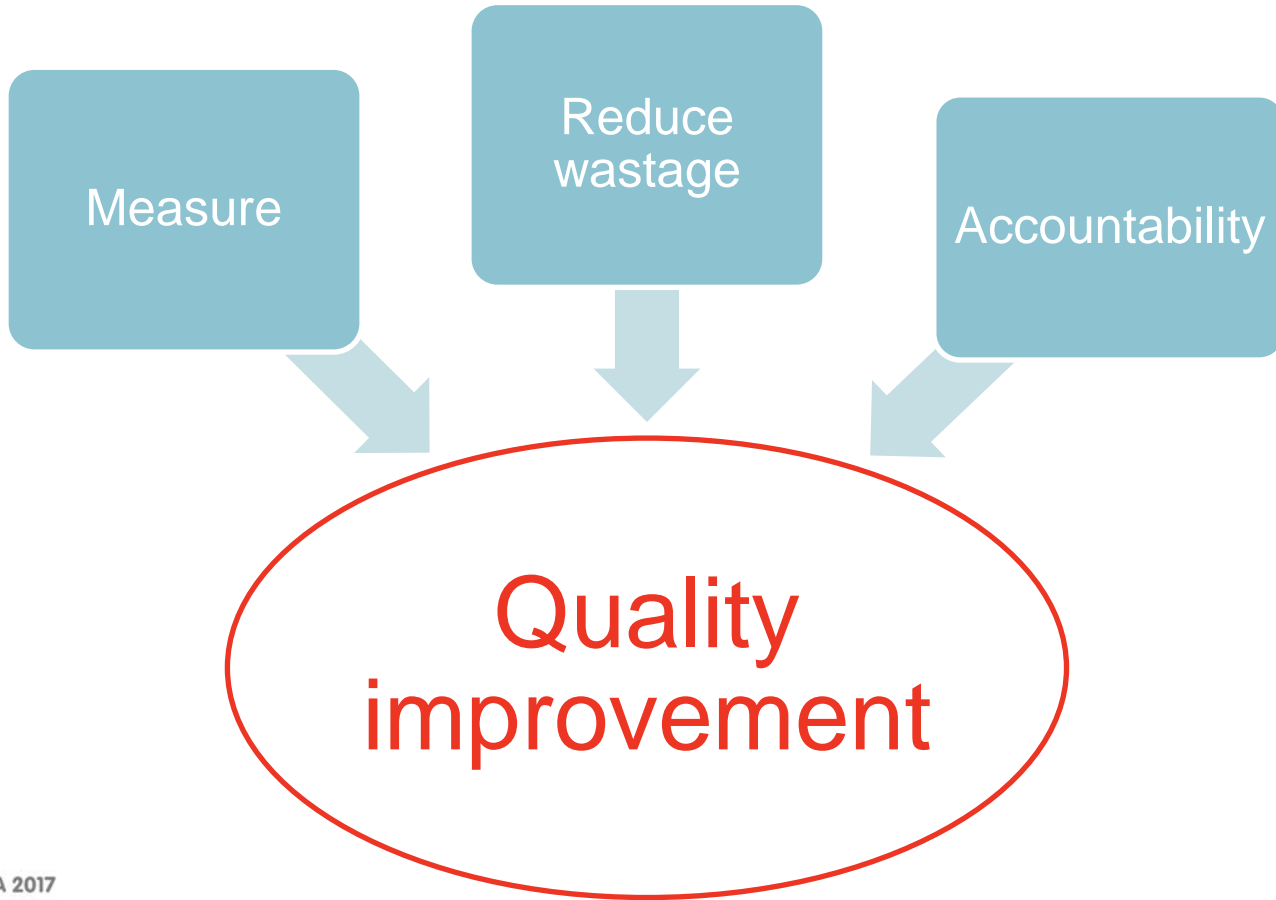


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Quality improvement is key

- Painful process for South Africa to bring the two sectors closer together
 - Quality differentials are both a symptom, and an obstacle
 - Those with access to private care are likely to resist giving that up
 - Pluralistic purchasing is likely to raise equity concerns
- Quality improvement in the public sector is a vital part of the journey
 - Changing the financing of the system will be insufficient
 - Necessary for greater trust in the public system





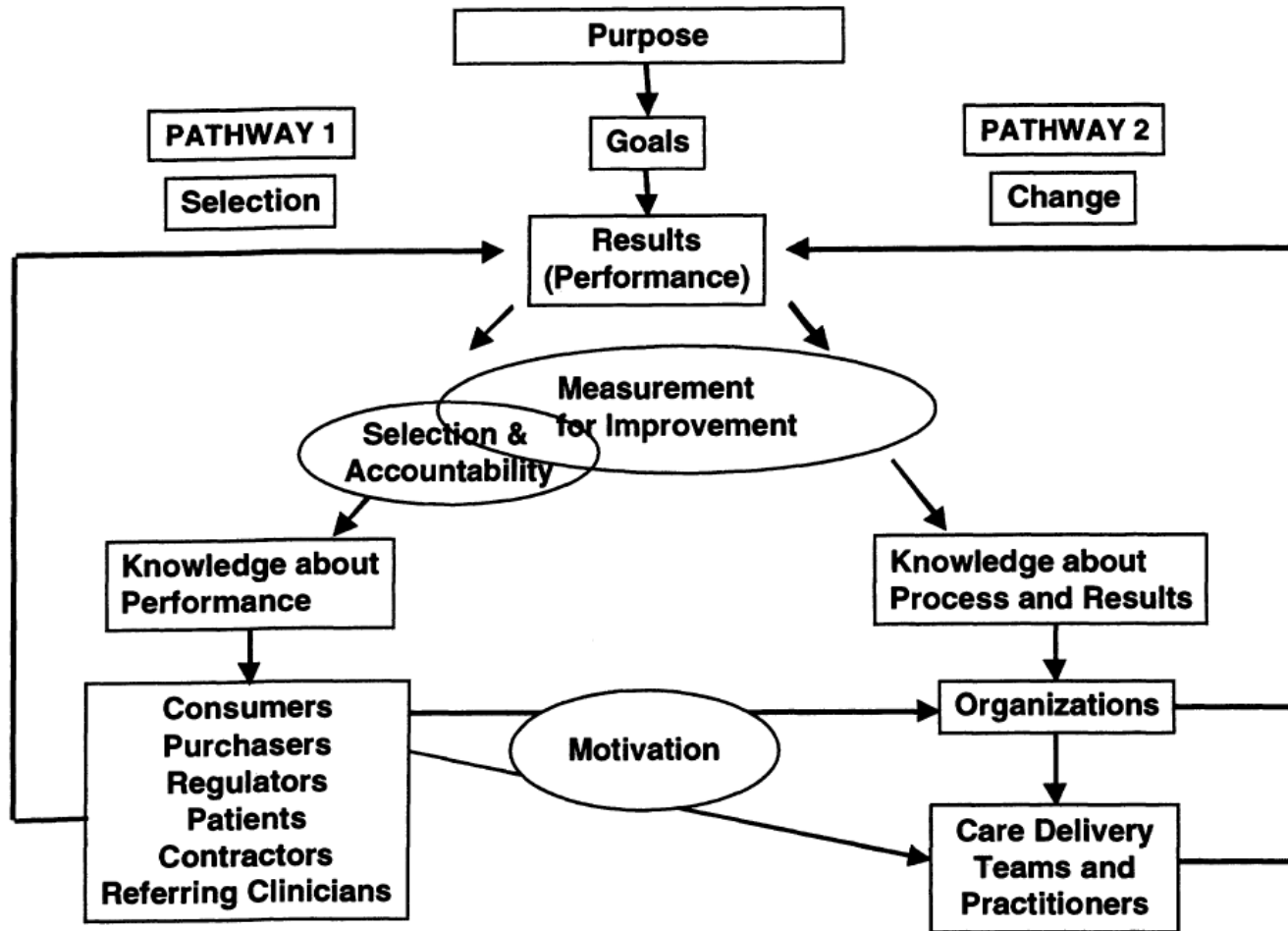


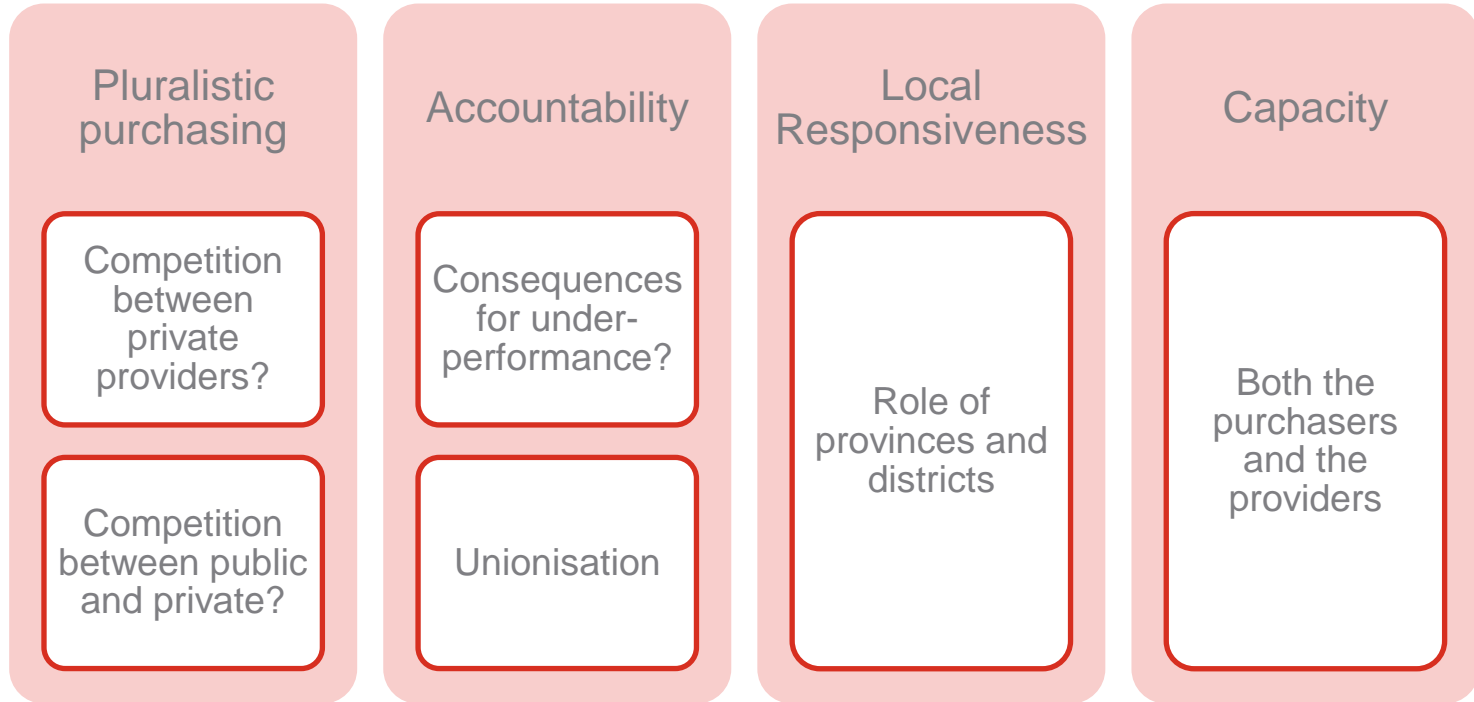
FIG. 1. Two pathways to quality improvement. (Berwick, James and Coye, 2003)

Why pluralistic approaches?

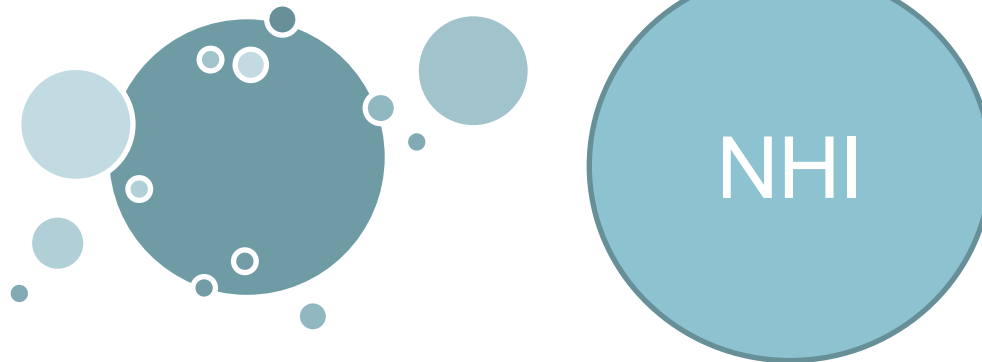
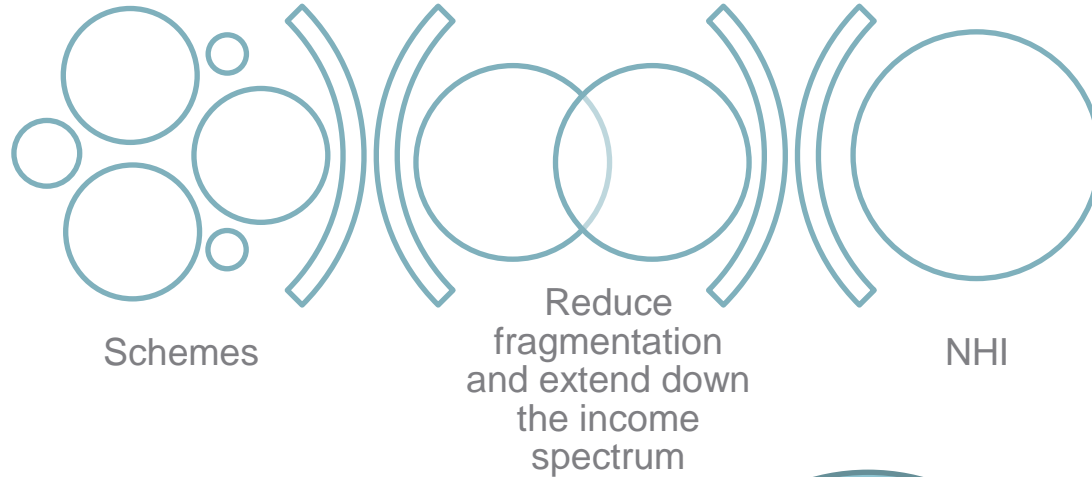
- Public and private healthcare co-exist in an inter-related system. We must act accordingly.
- We must make the best use possible of the resources that we have – from financial institutions to healthcare providers.

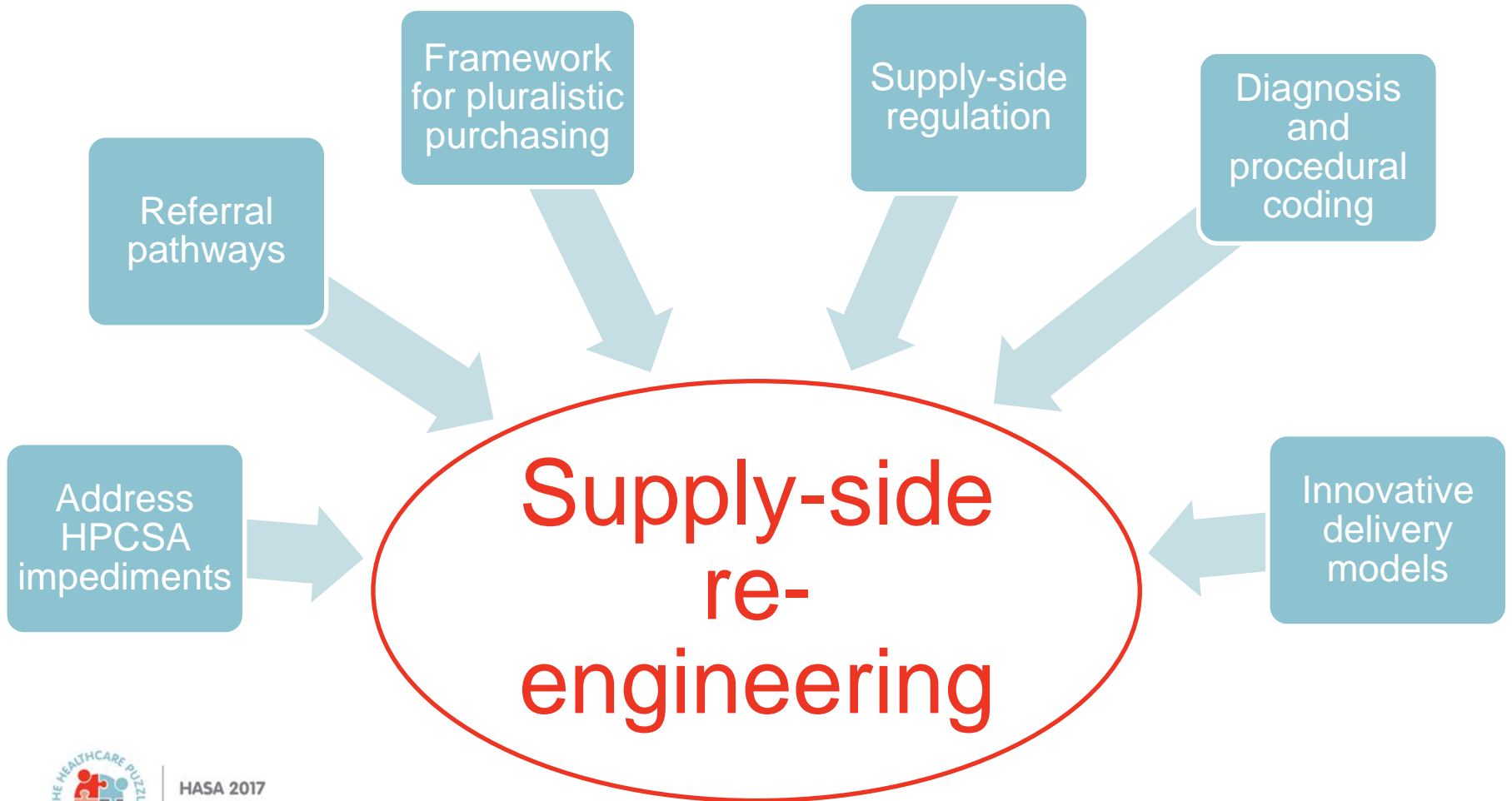


A purchaser/provider split enables pluralistic purchasing



Interim step: pluralistic approach to pooling





Hard Work Ahead!

- All health systems are dynamic, and face complex trade-offs between subsets of the population
- Even where there is agreement on the outcomes, there are multiple potential reform pathways
- Articulating and costing policy options is key



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THANK YOU!

