

## PRESS STATEMENT

### The Board of Healthcare Funders (BHF) warns on lack of tariffs for health service providers

BHF welcomes the announcement of the construction of 43 new hospitals and more than 200 clinics in NHI pilot districts, but warns that the human resources required to work in these facilities may be a stumbling block to access.

"Since the Competition Commissioner's ruling against tariff negotiations in 2004, healthcare costs have increased significantly due to the lack of a schedule of tariffs. The fact that healthcare providers are becoming increasingly accustomed to charging what they like will make it more difficult for government to contract with them during the implementation of NHI as has been identified by Treasury's chief director for health and social development, Mark Blecher", said Dr Humphrey Zokufa, MD of BHF.

The BHF has called upon government to introduce regulated maximum tariffs for health procedures as a matter of urgency, as the escalating cost of private healthcare is causing a greater burden on state facilities.

BHF believes that the upgrading of public facilities will mean that public hospitals could once again be able to compete with private hospitals for medical scheme patients and offer services at lower costs.

"We welcome the building of more than 200 new clinics as this assist in shifting the focus from the hospi-centric approach which currently pertains, to a system which entrenches primary and preventative care. In this way, the majority of the healthcare rand will be spent on treating illness at an early stage or preventing it altogether, rather than treating patients when their illnesses are at an advanced and require high cost intervention", said Zokufa.

According to the 2012 Registrar's report on medical schemes spent about R42 billion on hospital expenditure and about R24 billion on specialists per year. Spending on a private sector patient is roughly six times higher than on a public sector patient.

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#### Editor's Notes:

*The Board of Healthcare Funders of Southern Africa (BHF) is the representative body for the majority of medical schemes throughout South Africa, Lesotho, Namibia, Botswana and Zimbabwe.*

#### **Issued by Heidi Kruger, BHF Head of Corporate Communications.**

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