**MEDIA STATEMENT BY MINISTER OF HEALTH DR JOE PHAAHLA REFLECTING ON THE ADOPTION OF THE NATIONAL HEALTH INSURANCE (NHI) BY THE NATIONAL COUNCIL OF PROVINCES**

**WEDNESDAY, 6 DECEMBER 2023**

Today marks another important milestone on the journey by the country to realise the Universal Health Coverage to ensure universal access to quality and affordable health care for all South Africans as enshrined in the Constitution.

Although there are still other processes to be followed before the NHI Bill is signed into the law, but as the Ministry of Health we are pleased with the progress made so far, especially the outcomes of the today`s debate and voting process in the National Council of Provinces in favour of the National Health Insurance (NHI) Bill.

This is a landmark moment for our country, and specifically for our health system as we move towards realising Universal Health Coverage through the phased-approached implementation of NHI as a mechanism to ensure equitable access to quality healthcare for all citizens.

NHI represents a significant milestone in South Africa's commitment to achieving universal health coverage, and we are confident that, with the support of all stakeholders, we will create a healthcare system that is fair, efficient, and accessible to all.

The provisions outlined in the NHI Bill represent a comprehensive and transformative approach to healthcare delivery in South Africa. It is founded on the principle that every South African, regardless of their socio-economic status, should have access to a comprehensive set of health services without facing any financial barriers.

As we reflect on the positive outcome of the NCOP vote, it is important for us to remember the significant strides we have made in advancing the necessary policy and legislative frameworks to support the implementation of NHI. There have been positive and negative experiences we have encountered in our taxing journey for us to reach this point. The journey on the process of the NHI Bill has not been without challenges, which include amongst others; financial considerations, health workforce capacity, and the integration of existing, in some instances parallel, healthcare systems have posed complex issues – issues that we must continue to collectively work together to find the most practical solutions to effectively and efficiently meet the health needs of our people.

The government remains committed to addressing these challenges through strategic planning, collaboration with stakeholders, and ongoing evaluation of the implementation processes. We recognise and appreciate the role that proactive stakeholder engagement plays in the implementation of such an important policy and legislative reform.

That is why we have developed and adopted a comprehensive approach to stakeholder engagement to ensure diverse perspectives are considered as we move on. Continued collaboration with all stakeholders, transparent communication, and a phased approach to implementation are crucial components of our strategy.

In terms of the next key steps, we are looking forward to the Bill being forwarded to the President for consideration and promulgation. Once it receives Presidential assent, the Bill will become an Act of Parliament, creating a statutory mandate for the Minister and the National Department of Health. This will enable key institutional and organisational structures, such as the NHI Fund, to be formally established in line with the provisions of the NHI Act.

However, it is important for all stakeholders and the general public to note that this does not mean the provisions of the NHI Act (once promulgated) will all be implemented once-off without due consideration of the key requirements for transitional arrangements. Our intention has always been to have a rational, structured and phased approach implementation.

The actual implementation of the various provisions will be pending until specific sections of the Act are proclaimed as law. Without the accompanying regulations, directives, and operational procedures, the transformative impact of the Act cannot be realised. The Constitution empowers the President to set different dates for the effectiveness of various provisions within the Act.

Section 9 of the Bill serves as the initial point of action, establishing the National Health Insurance Fund as an autonomous public entity, as outlined in Schedule 3A of the Public Finance Management Act. This provision requires the establishment of a Board and other governance structures, critical for accountability. The Minister is empowered to appoint a Board, but the process involves multiple conditions and steps, such as conducting public interviews, public nominations, shortlisting criteria, appointment of the chairperson, and requiring Cabinet approval. This being the inaugural Board, a comprehensive regulatory framework to enable this is essential.

The Department will prepare detailed Regulations, covering all aspects of the process, as mandated by Section 55. Accordingly, the Minister will publish these regulations for public comment, encouraging transparency and inclusivity in shaping the governance of the NHI Fund and its enabling structures. Once regulations are finalised, the Minister and the Department will proceed with establishment of the NHI Fund, a process expected to take between 6 to 12 months post-proclamation of the Act, with subsequent phases involving additional regulations and implementation steps.

As we move forward, we remain steadfast with the implementation of NHI, guided by Constitutional values and the principles of social justice and the right to health.

In conclusion, let me take this opportunity to thank my predecessors (Minister Motsoaledi and Minister Mkhize), stakeholders, officials of the department, members of the public for their role played and contributions to enable us to achieve this milestone. It was not an easy, as our poet Mzwakhe Mbuli once said, “*there is no easy road*”.

Let me also express my gratitude to the Provincial Legislatures for putting the health interest of the people, majority who are part of 85% of the population solely depending on underfunded public health system, unemployed and relying

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