

**SPEAKING NOTES/GUIDE FOR THE MINISTER OF HEALTH, DR JM PHAAHLA,
MP AT THE PRESIDENT'S SIGNING OF THE NATIONAL HEALTH INSURANCE
BILL**

15 MAY 2024

His Excellency The President of the Republic, Mr Matamela Cyril Ramaphosa

Minister in the Presidency, Ms Khumbudzo Ntshavheni

And other Ministers present

Deputy Minister of Health, Dr Sibongiseni Dlomo and other DMs

MECs present, thanks for responding at short notice

Chair of portfolio committee on health Hon DR Jacobs and other MPs

Prof. Olive Shisana, Special Advisor to the President on Social Policy and other senior officials from the Presidency

Director-General of the Department of Health, Dr SSS Buthelezi

Leaders of various health entities

Leaders and representatives of various civil society, business and labour organisations.

Good afternoon, dumelang, sanibonani, avhusheni.

Thank you very much MR President for convening us here at the citadel of power in our country after you found the most valued pen in the history of S Africa.

Today marks a historic milestone as we are here to witness the signing of the National Health Insurance Bill (NHI) into law, a transformative leap in our nation's health policy. This new law, derived from the aspirations of the National Development Plan Vision 2030, sets us on a course that

enables us to guarantee that every South African will have the right to access comprehensive healthcare services, free at the point of use.

The vision of the ANC as the oldest and leading liberation movement for South Africa with regards to health starts as far back as 1942, as expressed in the African Claims document under the leadership of President DR AB Xuma, which even at that time already had an outline of the type of NHI that South Africa must adopt. One of the clauses of the document called for “ The establishment of free medical and health services for all sections of the population” while the other clause called for “ A drastic overhauling of the health services of the country with emphasis on preventive medicine “ . But the journey to today’s landmark moment essentially began in 1994 with the post-apartheid government's commitment to healthcare reform. Over the decades, numerous committees, inclusive of diverse professionals and stakeholders, have been diligently working to shape the future of our health system. Through extensive public consultations and after assimilating numerous comments, a Green Paper was developed, leading to a White Paper that laid the groundwork for the NHI Bill.

Within our context, historically, healthcare costs have unfairly burdened the most vulnerable members of our society for an extended period. Families have faced agonizing decisions, having to choose between basic necessities and necessary medical care. This reality does not align with the vision we hold for South Africa, where every citizen should enjoy their life to the fullest potential. The inequities that characterise our health system are unjustifiable and require fundamental overhauling to ensure equity and sustainability.

As we steadfastly continue with our efforts towards realising a healthier, more prosperous South Africa, we must recall the Freedom Charter which says “ A preventative health system shall be run by the state and Free medical care and hospitalisation shall be provided for all, with special care for mothers and young children “. Leveraging the values and principles espoused in the Charter, NHI has been under serious consideration since the dawn of democracy. The primary objective of the NHI reforms is directed at unifying our fragmented health system and ensuring that Section 27 of the Constitution is realised (right of access to health care). Informed by the 2012 National Development Plan which outlined a framework for ensuring that by 2030 South Africa should have achieved a significant shift in equity, efficiency and quality of health service provision as well as realising universal health coverage, the implementation of NHI is not just a policy issue; it's a commitment to the well-being of every citizen in our nation.

It is important to emphasise that the NHI policy development started as far back as 2009 culminating in the 2011 Green Paper and the publication of the White Paper on NHI in 2017.

During this period, extensive consultation processes were undertaken across the country, eliciting comments and inputs from the public, and interested stakeholders, to ensure that their views are taken into account. The NHI Bill was approved by Cabinet on 10 July 2019, and it was submitted to Parliament where it was tabled on 26 July 2019. Unfortunately, the COVID-19 pandemic delayed the finalisation of the public consultation that had already commenced through the National Assembly in August 2019.

Following further consultation and appropriate amendments, the National Assembly was able to pass the Bill, with its amendments in June 2023.

The final stage in Parliament required that National Council of Provinces through the Select Committee on Health to approve the B-Bill after further consultation in each of the nine Provincial Legislatures accompanied by 60 public hearings across the nine provinces. Subsequently, 'B-Bill' was approved on 06 December 2023 and the Bill was accordingly referred to His Excellency the President for consideration and assent.

We are happy that after many years of policy discussions and five years of the NHI Bill in Parliament, the National Health Insurance has now reached the starting line, which allows the department to commence with implementation and to create mechanisms for the equitable, effective, and efficient utilisation of the resources made available to the Fund to meet the health needs of the population.

We are indeed happy to be here , to bear witness to this seminal moment in our history. We stand resolute and remain committed to realising a health system that ensures our people enjoy healthy and productive lives, spurred on to achieve their full potential in a more equitable South Africa. This law is not just a policy; it is a promise—a promise of a better, healthier future for every South African, affirming that the long wait has indeed been worth it.

The NHI Act represents a comprehensive and transformative approach to healthcare delivery in South Africa. It is founded on the principles of equity, sustainability, fairness and social solidarity that ensures that every South African, regardless of their socio-economic status, should have access to a comprehensive set of healthcare services without facing any financial hardships. We believe that the signing of this Act will add impetus to other efforts to close the inequality gap in our country.

Now that the Bill will become an Act of Parliament, it creates a statutory mandate that enables the establishment of key institutional and organisational structures of the NHI Fund, and its governance arrangements, to be formally established in line with the provisions of the NHI Act.

However, it is important for the public to note that the provisions of the NHI Act will be implemented in phases. Our intention has always been to have a rational, structured and phased approach implementation.

The Constitution empowers the President to set different dates for the effectiveness of various provisions within the Act. Therefore, the phased implementation of the various provisions in the Act will be undertaken with due consideration of the specific sections of the Act and when they are proclaimed as law. Without the accompanying regulations, directives, and operational procedures, the transformative impact of the Act cannot be realised.

Section 9 of the NHI Act serves as the initial point of action, establishing the National Health Insurance Fund as an autonomous public entity, as outlined in Chapter 6 , and listed in Schedule 3A, of the Public Finance Management Act. This provision requires the establishment of a Board and other governance structures, which are critical elements for accountability and oversight purposes.

The Act empowers the Minister 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 and transparent process to enable this is essential.

The Department has already been busy at work preparing Regulations as mandated by the provisions in 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 relevant sections of the Act, with subsequent phases involving additional regulations and implementation steps.

We are finally at the starting line. There will be challenges on the journey to the future and we will find obstacles and difficulties that will need to be confronted. This journey will take many years of concentrated and consistent work. It is a process and not an event and must be broken up into manageable phases and parts, each of shorter duration.

We are inviting every role-player to join us on this journey and to become a part of the solutions towards realising a just, equitable and sustainable

health system that addresses the health needs of all our people irrespective of where they reside or what their socioeconomic status is. I am particularly calling on heal professionals and healthcare workers overall not to listen to fear mongers who are scaring them and agitating for emigration from RSA, this is our only country, we have achieved a lot in the 30 years of democracy and freedom and this is an opportunity to achieve more.

It is now my honour and privilege ladies and gentlemen to invite our commander in chief who has led us in the worst of times , COVID-19 pandemic and is now leading us out of load shedding and is leading us towards UHC, His Excellency President Matamela Cyril Ramaphosa.

I thank you.

**DR JM PHAAHLA, MP
MINISTER OF HEALTH
SOUTH AFRICA.**