

**Debate on the State of the Nation Address
Dr Aaron Motsoaledi, MP
Minister of Health,
12 February 2025**

Honourable Speaker / Honourable Chairperson

His Excellency The President

His Excellency The Deputy President

Honourable Members

Mr President, in your State of the Nation Address last week, you confronted critics and doomsayers by saying something which they believed shall never be said. If I may quote you Mr President: “This year, we will proceed with the preparatory work for the establishment of NHI”.

Regardless of this, some nay sayers still persist. Yesterday during this debate Honourable MJ Cuthbert, a member of the DA said that he is happy that NHI is not on the MTDP. Sorry Sir, it is there.

I have listened to people talking against NHI without even having read the Act, and without understanding it. It may do you good if I start there.

NHI or Universal Health Coverage is not a system of healthcare as some are prone to saying. It is NOT a vintage health system which a country can only have when it is a rich country and have all the good infrastructure, equipment and medicines, or have all the full complement of Doctors, Nurses and other health workers.

If any country anywhere in this world can have a Health system that has all those things I have described, then that country does not need NHI, for it has got everything.

As I have said, NHI or UHC is not a system of healthcare. It is rather a health financing system, period. It talks about the way a country finances its healthcare such that people's socio-economic status is not a determinant of who gets better quality healthcare, and who does not. It has two dimensions to its definition:

- All people receive quality health services
- When receiving quality health services, they must not suffer any financial hardships, or what the World Health Organisation (WHO) calls Catastrophic Healthcare Expenditure. This 2nd dimension, i.e not having to suffer financial hardships, was brought into being because over centuries, human beings who were never poor suddenly became poor as a result of healthcare expenditure.

The World Health Organization has an annual account of such people and they are counted in billions, not millions. The world cannot have as one of its goals in the United Nations Sustainable Development Goals, to end poverty, yet continue to keep healthcare financing systems that are a major cause of poverty.

NHI is about money that is failing and equitably distributed among the whole population. It is about what each and every citizen gets from their country for their healthcare needs and not because of their income and/or socio-economic status. It is how it was designed and evolved all over the world.

In the words of Dr Margaret Chan, the former Director General of the World Health Organization from Hong Kong, NH or Universal Health Coverage is an “equalizer between the rich and the poor”.

The common refrain in the country is: “I support UHC BUT not NHI in its current form.”

Yesterday, I listened carefully to my colleague in the GNU, Honourable Minister Hlabisa. Minister, you said that the IFP proposes a more incremental approach to implement NHI. You are spot on Minister and we agree with you 100%, because what you are putting to us as a form of a proposal is actually in Section 57(1)(b) of the NHI Act itself, and I am going to read it as it is:

”National Health Insurance must be gradually phased in, using programmatic approach based on financial resource availability.”

This is not just a coincidence Minister. The Act had to be drafted like that because that is precisely the nature of UHC. It is a process that is phased in gradually.

There is no country anywhere in the world that did it differently simply because it is impossible to do it otherwise. Even the present medical aids in South Africa, which many of you claim are perfect, were phased in gradually over a lengthy period of more than half a century.

The second thing you said Honourable Hlabisa is that the IFP proposes prioritising strengthening the existing healthcare system and piloting new models of care.

You are spot on again. I will refer you to what the President said in his SONA address last week: “Our most immediate priority is to strengthen the health system and improve quality of care. A vital part of this is modernisation, improvement and

maintenance of existing health facilities, and construction of new hospitals and clinics”.

Honourable Minister, the only thing I wish to explain from what the President said, supported by what you regard as a new proposal is that strengthening the Public Health System and implementing NHI are not mutually exclusive. One does not have to follow the other for none of them is a single event, but a process that is forever ongoing. It is life-long and none-ending.

Due to the non-availability of time, today I will desist from providing a list of all the new hospitals that were mentioned in the SONA. I will provide such a comprehensive list during my budget Vote in about 3 months' time. It is going to be a very interesting and well-thought of list in support for the NHI. Hence the site of such hospitals is going to be very strategic for NHI to thrive.

There is this extremely wrong assertion which unfortunately seems to be widespread – that NHI is a vintage Healthcare system which can only be implemented when a country is rich and has built 5-star hospitals with all the needed equipment, has all the complement of doctors, nurses, other health workers, and all other commodities.

We are not the people in the world who came up with the concept of Universal Health Coverage. It was brought up by world class experts after a very long judicious process of observing Healthcare systems around the world. Hence there is no wheel to re-invent.

All the countries in the world who have implemented UHC did so not because they are rich and have a huge tax base. No, the opposite is true. They all started UHC because of a crisis of one form or another. UHC was a means of averting that crisis or at least mitigate it.

- The United Kingdom (UK) started the idea in 1945 and implemented in 1948 as a result of the crisis of the 2nd World War which left the British people poor, unemployed and very sick. In trying to rebuild their economy the British were told that no country can rebuild an economy with sick people. Hence they implemented UHC which they called NHS (National Health Service);
- Same reason of World War II with Canada. They call it Medicare;
- Thailand did so in 2002 as a result of the Asian financial crisis of 1997. They call it Universal Coverage Scheme (UCS) or 30-baht scheme);
- Indonesia did so under Governor Joko Widodo who came to power at the time of the Asian Financial crisis. They call it Jaminah Kesehatan Nasional (JKN);
- China had to re-socialise its health financing system due to the SARS crises of 2002 – not our SARS but Sub Acute Respiratory Syndrom which was a huge threat to the economy of China;
- Brazil, which 30 years ago was, together with South Africa, a country with the highest Gino-coefficient. The gaps between the rich and the poor was as wide as the Atlantic Ocean as is the case of South Africa.

As part of the solution, Brazil declared health as a right in 1988 and implemented the UHC in 1990. They call it SUS (Sistema Unico de Saude), which means Unified Health System.

Today Brazil's rate of poverty is at 3.3% as compared to 25% before implementation of SUS. SUS is the biggest UHC system in the world;

Back to this country, South Africa, there is another storm brewed by big business, the media and all other critics of the NHI, that implementing the Single Payer System as the NHI Act asserts is unconstitutional, will collapse the economy and deprive people a right to choice. They say a Multipayer System is the only reasonable system. They believe, wrongly so, that we are the first country to be confronted with a choice between a Single Payer System and a Multipayer System.

Well, I have news for you. The following countries bought this story of Multipayer System and discovered to their dismay that it is unworkable and would not bring forth UHC:

- (i) Thailand
- (ii) South Korea
- (iii) Spain
- (iv) Indonesia
- (v) Turkey
- (vi) Estonia
- (vii) Sweden
- (viii) Norway
- (ix) Denmark
- (x) Finland

This led to Prof Robert Yates, the Professor of London School of Economics to declare that consensus on Health Financing of UHC is such that “market-driven privately financed health systems do not result in UHC”. This does not rule out private sector administration or provision of services.

Gro Harlem Brundtland, the 1st female Prime Minister of Norway who held that position for 3 inconsecutive terms, went on to become the Director General of the World Health Organisation. She is a Physician by the way. At a High Level Meeting of UHC at the United Nations General Assembly, she said:

“If there is one lesson the world has learnt, it is that you can only reach UHC through Public Financing”.

Finally, I wish to address the Chief Whip of the DA, Honourable Michalakis.

Yesterday he was very irritated and said that he is tired of hearing from Minister Motsoaledi about this NHI.

Well, I don't blame the DA for being so angry about change. They are enjoying the present system.

Over the half-a-century of existence of medical aids, they were only able to cover 10% of the black population, but 72% of the white population. That is why world experts said that such a system will never lead to UHC. South Africa proved that over the more than 50 years of existence of a privately-financed system, but still the DA refuses to see that.

Mr Michalakis, the hatred and anger I saw in your eyes yesterday is going to eat you up.

Jy gaan mal rak my broer. Maar soos 'n broer jou, lat ek jou vrye advies of raad gee. U moet 'n sielkund gaan raadpleeg want die NHI is nou hierso, dit gaan nerens nie.

You are just driven by what Prof Paul Farmer, the Medical Anthropologist and Physician from Havard Medical School said is a wrong in the world. He said:

“The idea that some lives matter less is the root of all that is wrong with the world”.

It is actually what is wrong with the DA.

I thank you