

Health Market Inquiry calls for transparency by medical aid schemes

A report by the Health Market Inquiry (HMI) looking into the private healthcare industry has recommended that there be increased transparency and improved competition.



Sandile Ngcobo, former chief justice. Photo: eThekweni Living Legends

The HMI released its provisional report on Thursday after hearing evidence from a number of stakeholders in the past three years.

The inquiry, which is chaired by the ex-Chief Justice, Sandile Ngcobo, was set up to look into the costs of healthcare and the operations of medical schemes.

“Overall we recommend changes to the way scheme options are structured to increase comparability between schemes and increase competition in that market.

“A system to increase transparency on health outcomes to allow for value purchasing.

“A set of interventions to improve competition in the market through a supply side regulator,” the report reads.

Cabinet has welcomed the release today of the interim report by the competition market inquiry (CMI) into the private

healthcare industry.

Reviewing prescribed minimum benefits

In addition, the HMI proposed that the prescribed minimum benefits (PMBs) package, which will be included in the base benefit package, must be reviewed and updated at least every three years.

This is consistent with existing legislation and in line with current initiatives by the CMI to review the PMBs.

“This caution is required as the base cover is yet to be defined. To facilitate scheme members’ understanding of PMBs, including what they are entitled to and when additional out-of-pocket payments may arise.

“During the pre-authorisation process, members should explicitly be told whether their choice of service provider or treatment course has additional cost implications and what alternatives are available,” the report states.

The provisional report will be open for public comments for a period of two months.

The final report will be submitted to the minister of economic development, by the end of 2018, and will be tabled in parliament.

For more, visit: <https://www.bizcommunity.com>