

NATIONAL COUNCIL OF PROVINCES
QUESTION FOR ORAL REPLY
QUESTION NUMBER: 222 [CO466E]
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★222. Mr D R Ryder (Gauteng: DA) to ask the Minister of Finance:

Whether, with regard to the state of the economy and the contraction of the fiscus, the National Health Insurance could be launched without taking further budget from other departments; if not, what is the position in this regard; if so, what are the relevant details?

CO466E

REPLY:

National Health Insurance will be implemented at a pace that is affordable to South Africa. Given our current macro-economic outlook and constrained fiscal environment, full implementation is likely to take longer than initially anticipated. In the MTBPS we indicated that funding for setting up the NHI Office will initially be reprioritized from other areas within the budget of the National Department of Health.

National Treasury has prepared a NHI financing paper, which lays out various scenarios for financing potential funding shortfalls for NHI. However, this is still under discussion with Minister of Health and given not publicly released, would not like to speculate about financing options. Cost estimates from a revised and more affordable cost model with selected key interventions, commissioned by Treasury, and shown in the MTBPS, indicate a potential shortfall of R33 billion by 2025/26 and R55 billion by 2030, but these estimates are not yet budget commitments. Allocations for NHI, like for other key priorities, will be made through the annual budget process and will be informed by affordability, fiscal space and what progress is made on the ground in terms of implementation of NHI.