

**NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 56 [NW60E]
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56. Mr A N Sarupen (DA) to ask the Minister of Finance:

Whether, with regard to the proposed National Health Insurance (NHI), any financial modelling has been undertaken by the National Treasury (a) in the (i) 2019-20, (ii) 2020-21 and (iii) 2021-22 financial years and (b) during the period 1 January 2022 up to the latest specified date for which information is available to calculate the total cost of the (i) implementation and (ii) administration of the proposed NHI; if not, why not; if so, (aa) what are the relevant details and (bb) how has the economic impact of the COVID-19 pandemic affected financial modelling for financing the NHI? NW60E

REPLY

The most recent update of the NHI cost model was carried out in 2019/20, details of which can be found in section 8 of the explanatory memorandum to the NHI Bill and the 2019 Medium Term Budget Policy Statement. This modelled the medium-term cost of specific NHI interventions at approximately R33 billion per annum by the 5th year. The economic impact of the COVID-19 pandemic has thus not been factored into the cost model. The need for and timing of further updates to the model will be determined by practical progress with preparing for the implementation of NHI, spending on the existing NHI allocations, as well as progress with processing the NHI Bill in the two chambers and relevant committees of Parliament.