

FreeFACTS

No 09/2022 | September 2022 | Issue 53

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South Africans get little health bang for their buck

Healthcare is one of the South African government's primary expenses. Just over 15% of total government expenditure goes to healthcare, equivalent to about 5% of GDP. When private expenditure is added in then nearly 10% of South Africa's GDP goes to healthcare.

Most South Africans rely on the public healthcare sector, with about 15% relying on the private sector. This proportion has been slowly declining, likely primarily because of South Africa's economic challenges, with fewer people being able to afford medical aid premiums.

But South Africa's overall expenditure compares favourably with most of the developed world. The norm in advanced countries around the world is to spend about 10% of GDP on healthcare.

However, it must be asked whether South Africans are getting bang for their buck, and what this means for South Africans with schemes such as the National Health insurance (NHI) scheme being mooted.

If we examine basic health outcomes we can show how the South African healthcare system is lagging.

As this edition of *FreeFACTS* shows our rate of mortality for people younger than five years old is far too high. It is only slightly better than countries that are far poorer than South Africa, such as Uganda. In addition, South Africa is also performing poorly on issues such as vaccination. In 2019 only 72% of South African children had been immunised against measles, compared to 95% in India and 87% in Mozambique.

Furthermore, a review of public clinics in the country found that just over half could be described as 'ideal'. This meant that they were adequately staffed, had adequate supplies of medicine, and good infrastructure and administrative processes. There were large differences when provinces were compared, with 91% of clinics in Gauteng being 'ideal,' but only a third in the Eastern Cape and Northern Cape, and below 30% in Limpopo.

Despite South Africa expending significant resources on healthcare in the country it is clear that outcomes are lacking. It raises serious questions around the wisdom of implementing something like NHI.

— Marius Roodt

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The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. FreeFACTS publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

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Healthcare

Health expenditure, 2000-19						
Year	Public health expenditure as a proportion of GDP	Total health expenditure as a proportion of GDP	Public health expenditure as a proportion of total government expenditure	Public health expenditure as a proportion of total health expenditure	Private health expenditure as a proportion of total health expenditure	Out-of-pocket ^a health expenditure as a proportion of total health expenditure
2000	3,0%	8,2%	11,9%	36,6%	62,8%	14,5%
2001	2,7%	7,9%	10,6%	33,7%	65,6%	14,1%
2002	2,6%	7,5%	10,4%	34,5%	64,8%	13,6%
2003	3,1%	7,9%	12,3%	39,6%	54,8%	12,3%
2004	3,1%	7,8%	12,0%	39,4%	55,2%	11,8%
2005	3,1%	7,7%	10,9%	40,0%	48,2%	11,3%
2006	3,6%	7,7%	13,1%	47,0%	46,6%	10,6%
2007	3,7%	7,7%	13,5%	47,8%	44,9%	9,7%
2008	3,7%	7,9%	13,0%	47,4%	44,6%	8,8%
2009	4,2%	8,5%	13,4%	49,7%	42,2%	8,1%
2010	4,4%	8,7%	14,1%	51,3%	41,0%	8,0%
2011	4,5%	8,7%	14,7%	51,9%	41,0%	7,8%
2012	4,5%	8,8%	14,5%	51,7%	41,6%	7,7%
2013	4,5%	8,9%	14,3%	51,2%	42,1%	7,6%
2014	4,8%	8,6%	14,9%	55,6%	42,7%	5,7%
2015	5,0%	8,8%	15,2%	57,1%	41,2%	5,7%
2016	5,0%	8,8%	15,3%	56,6%	41,4%	5,8%
2017	5,0%	8,7%	15,3%	57,1%	41,8%	5,8%
2018	5,1%	8,9%	15,3%	57,3%	41,6%	5,8%
2019	5,4%	9,1%	15,3%	58,8%	40,1%	5,7%

Source: World Bank, www.data.worldbank.org, *World Development Indicators*, accessed 14 April 2022

^a As part of private healthcare, out-of-pocket health expenditure is the payment by private households to health practitioners or the suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals. It is, therefore, distinct from private expenditure on health through medical insurance.

Healthcare

Health expenditure, selected countries, 2019					
Country	Public health expenditure as a proportion of total health expenditure	Public health expenditure as a proportion of total government expenditure	Out-of-pocket ^a health expenditure as a proportion of total health expenditure	Total health expenditure as a proportion of GDP	Per capita expenditure (PPP\$) ^b
Australia	71,7%	16,3%	16,0%	9,9%	5 294
Botswana	78,5%	14,3%	3,1%	6,0%	1 122
Brazil	40,7%	10,5%	24,9%	9,6%	1 498
Chile	50,9%	18,1%	32,8%	9,3%	2 424
China	56,0%	8,8%	35,2%	5,4%	880
Denmark	83,3%	16,8%	14,2%	10,0%	6 015
Egypt	27,8%	4,7%	62,7%	4,7%	582
France	75,3%	15,1%	9,3%	11,1%	5 493
Germany	77,7%	20,1%	12,8%	11,7%	6 739
Ghana	40,2%	6,5%	36,2%	3,4%	193
Greece	48,1%	7,9%	35,2%	7,8%	2 419
India	32,8%	3,4%	54,8%	3,0%	211
Indonesia	48,9%	8,7%	34,8%	2,9%	358
Ireland	74,6%	20,3%	11,7%	6,7%	6 010
Israel	64,8%	12,1%	21,0%	7,5%	3 326
Italy	73,9%	13,2%	23,3%	8,7%	3 998
Japan	83,9%	24,2%	12,9%	10,7%	4 587
Kazakhstan	59,9%	8,3%	33,9%	2,8%	765
Lithuania	65,1%	13,2%	32,3%	7,0%	2 797
Mexico	49,3%	10,3%	42,1%	5,4%	1 111
Mozambique	21,3%	5,6%	10,0%	7,8%	105
Nigeria	15,9%	3,8%	70,5%	3,0%	162
Pakistan	32,0%	4,9%	53,8%	3,4%	166
Philippines	40,6%	7,6%	48,6%	4,1%	379
Poland	71,4%	11,0%	20,4%	6,4%	2 207
Russia	61,2%	10,2%	36,6%	5,6%	1 704
Saudi Arabia	69,2%	11,0%	16,5%	5,7%	2 790
South Africa	58,8%	15,3%	5,7%	9,1%	1 187
Spain	70,6%	15,3%	21,8%	9,1%	3 984
Switzerland	32,1%	11,1%	25,3%	11,3%	8 532
Turkey	77,9%	9,5%	16,9%	4,3%	1 187
Uganda	15,1%	3,1%	38,3%	3,8%	92
United Kingdom	79,5%	19,7%	17,1%	10,2%	5 087
United States	50,8%	22,3%	11,3%	16,8%	10 921
Venezuela	46,0%	11,6%	18,5%	5,4%	385

Source: World Bank, www.worldbank.org, *World Development Indicators*, accessed 16 April 2022

^a As part of private healthcare, out-of-pocket health expenditure is the payment by private households to health practitioners or the suppliers of pharmaceuticals, therapeutic appliances, and other goods and services whose primary intent is to contribute to the restoration or enhancement of the health status of individuals. It is therefore distinct from private expenditure on health through medical insurance.

^b Dollars at Purchasing Power Parity (PPP) are adjusted to be comparable across different countries, so that differing prices are taken into account. These figures are in current prices.

Healthcare

Top ten medical aid schemes, 2010 and 2020			
—2010—		—2020—	
Name of scheme	Average number of beneficiaries	Name of scheme	Average number of beneficiaries
Discovery Health Medical Scheme	2 171 742	Discovery Health Medical Scheme	2 764 994
Government Employees Medical Schemes (GEMS)	1 335 772	Government Employees Medical Scheme (GEMS)	1 924 569
Bonitas Medical Fund	628 542	Bonitas Medical Fund	714 989
SA Police Service Medical Scheme (POLMED)	475 882	South African Police Service Medical Scheme (POLMED)	504 758
Medihelp	237 282	Momentum Health	293 884
Bankmed	201 250	Bankmed	219 807
Medshield Medical Scheme	193 636	LA-Health Medical Scheme	219 725
Fedhealth Medical Scheme	172 030	Bestmed Medical Scheme	202 386
Liberty Medical Scheme	170 008	Medihelp	197 621
Momentum Health	168 060	Medshield Medical Scheme	154 459
Total	5 754 204	Total	7 197 192

Source: CMS, www.medicalschemes.com, *Annual Report 2015/16*, March 2016, pp45-47; www.medicalschemes.com, accessed 12 August 2016; *CMS Annual Report 2017/18*, October 2018, Annexure ac; *CMS Annual Report 2018/19*, October 2019, Annexure FSU18; *CMS Annual report 2019/20*, December 2020, Annexure Q; *CMS Annual report 2020/21*, March 2021, Annexure Q

Healthcare

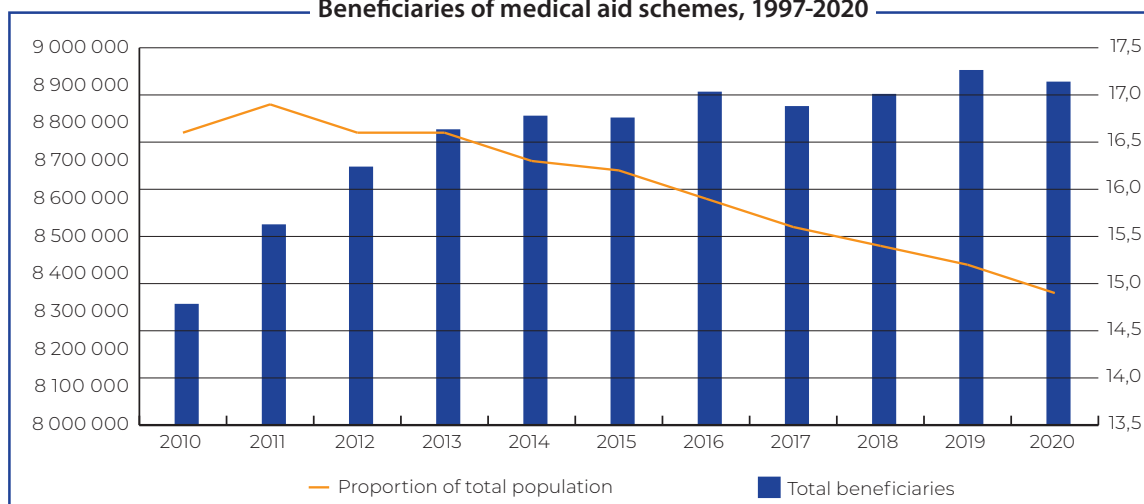
Beneficiaries of medical aid schemes, 1997-2020

Year	Total beneficiaries	Proportion of total population ^a
1997	6 965 000	17,0%
1998	6 992 000	16,6%
1999	6 989 000	16,2%
2000	6 729 551	15,4%
2001	6 764 409	15,2%
2002	6 713 870	14,8%
2003	6 671 801	14,4%
2004	6 662 563	14,3%
2005	6 835 621	14,6%
2006	7 127 343	15,0%
2007	7 478 040	15,6%
2008	7 874 826	16,2%
2009	8 068 505	16,4%
2010	8 315 718	16,6%
2011	8 526 409	16,9%
2012	8 679 473	16,6%
2013	8 778 308	16,6%
2014	8 814 458	16,3%
2015	8 809 523	16,2%
2016	8 878 081	15,9%
2017	8 839 892	15,6%
2018	8 872 149	15,4%
2019	8 935 496	15,2%
2020	8 904 679	14,9%

Source: CMS, e-mail communication, 22 October 2012; CMS, www.medicalschemes.com, *CMS Annual Report 2012-2013*, September 2013, p8; *CMS Annual Report 2014-15*, September 2015, p2; *CMS Report 2015-16*, March 2016, p2; *Quarterly Reports for the period ending 30 September 2016*, January 2017, p4; *CMS, Press release 14 of 2017: CMS release annual report 2016/17*, October 2017, p1; *CMS Annual Report 2017/18*, October 2018, Table 2, p127; *CMS Annual Report 2018/19*, October 2019, Annexure FSU16; *Annual report 2019/20*, December 2020, Annexure Q; *CMS Annual report 2020/21*, March 2021, Annexure Q; Stats SA, Mid-year population estimates data

^a IRR calculations.

Beneficiaries of medical aid schemes, 1997-2020



Healthcare

Medical aid beneficiaries by province, 2004-21

Province	2004	2006	2008	2010	2012 ^a	2014 ^a	2018 ^a	2019 ^a	2020 ^a	2021 ^a	Proportion ^b of provincial population 2021	Change, 2004 - 2021
Eastern Cape	595 826	614 197	677 478	708 097	712 000	696 000	645 000	707 000	683 000	695 000	10,6%	18,5%
Free State	318 822	341 549	366 361	388 514	494 000	490 000	461 000	428 000	360 000	483 000	16,2%	51,5%
Gauteng	2 579 404	2 593 809	2 841 334	3 010 299	3 588 000	3 629 000	3 463 000	3 745 000	3 280 000	3 813 000	24,0%	47,8%
KwaZulu-Natal	1 028 600	1 091 744	1 204 274	1 287 219	1 270 000	1 346 000	1 383 000	1 489 000	1 123 000	1 220 000	10,4%	18,6%
Limpopo	279 658	300 856	365 910	407 410	436 000	476 000	474 000	589 000	472 000	497 000	8,1%	77,7%
Mpumalanga	454 208	492 387	544 333	576 026	591 000	615 000	568 000	579 000	405 000	436 000	9,1%	-4,0%
North West	312 930	365 692	425 398	461 521	496 000	539 000	523 000	652 000	719 000	634 000	15,3%	102,6%
Northern Cape	152 333	149 399	166 519	175 318	216 000	232 000	198 000	241 000	235 000	250 000	19,5%	64,1%
Western Cape	1 193 885	1 157 483	1 265 471	1 294 088	1 483 000	1 603 000	1 664 000	1 639 000	1 740 000	1 677 000	23,6%	40,5%
South Africa	6 915 666	7 127 343	7 874 826	8 315 718	9 285 000	9 625 000	9 380 000	10 068 000	9 017 000	9 706 000	16,0%	40,3%

Source: CMS, www.medicalschemes.com, *Council for Medical Schemes Annual Report 2004-5*, 9 May 2005, Table 7, p56; *CMS Annual Report 2005-06*, 26 September 2006, Table 7, p49; Stats SA, *General Household Survey 2012*, Statistical release P0318, 4 October 2013, Figure 14, p18; *General Household Survey 2014*, Statistical release P0318, 27 May 2015, Table 4.1, p101; *General Household Survey 2018*, Statistical release P0318, 28 May 2019, Table 4.1, p117, Table 2.1, p2; *General Household Survey 2019*, Statistical release P0318, 17 December 2020, Table 4.1, p111, Table 2.1, p5; *General Household Survey Addendum tables 2020*, Statistical release P0318, 02 December 2021, Table 4.1, p20; *General Household Survey Addendum tables 2021*, Statistical release P0318, 23 June 2022, Table 4.1, p1

^a Figures from the Stats SA's General Household Survey are not strictly comparable with those from previous years or with CMS data.

^b IRR calculations.

Public clinics by province, 2019/20

Province	Public clinics	Proportion of total ^a	People per public clinic ^a	Ideal ^b public clinics 2018/19	Proportion of ideal public clinics ^c 2018/19
Eastern Cape	773	22,3%	8 712 to 1	251	32,5%
Free State	222	6,4%	13 193 to 1	153	68,9%
Gauteng	368	10,6%	42 087 to 1	335	91,0%
KwaZulu-Natal	607	17,5%	18 998 to 1	449	74,0%
Limpopo	481	13,9%	12 167 to 1	139	28,9%
Mpumalanga	288	8,3%	16 249 to 1	147	51,0%
North West	308	8,9%	13 340 to 1	173	56,2%
Northern Cape	162	4,7%	7 980 to 1	56	34,6%
Western Cape	263	7,6%	26 638 to 1	203	77,2%
South Africa	3 472	100,0%	17 172 to 1	1906	54,9%

Source: HST, *DHB 2019/20*, December 2020, Table 1, p127; Stats SA, *Mid-year population estimates 2020*, Statistical release P0302, 9 July 2020, Figure 1, ix

^a IRR calculations.

^b A clinic with good infrastructure, adequate staff, adequate medicine and supplies, good administrative processes, and sufficient adequate bulk supplies.

^c For example, 32.5% of all public clinics in the Eastern Cape are ideal clinics.

Healthcare

Rates of immunisation and TB treatment, selected countries, 2019 and 2020				
Country	—Proportion of children aged 12-23 months immunised—		TB treatment success rate ^a	TB detection rate ^b
	Measles	Diphtheria, pertussis (whooping cough), and tetanus		
	—2019—		2019	2020
Australia	95,0%	95,0%	86,0%	87,0%
Botswana	97,0%	95,0%	72,0%	45,0%
Brazil	91,0%	73,0%	69,0%	78,0%
Chile	95,0%	96,0%	74,0%	87,0%
China	99,0%	99,0%	94,0%	74,0%
Denmark	96,0%	97,0%	45,0%	74,0%
Egypt	95,0%	95,0%	87,0%	61,0%
France	90,0%	96,0%	12,0%	83,0%
Germany	97,0%	93,0%	69,0%	87,0%
Ghana	92,0%	97,0%	84,0%	29,0%
Greece	97,0%	99,0%	N/A	80,0%
Hong Kong	N/A	N/A	73,0%	87,0%
India	95,0%	91,0%	84,0%	63,0%
Indonesia	88,0%	85,0%	83,0%	47,0%
Ireland	91,0%	94,0%	4,0%	87,0%
Israel	98,0%	98,0%	84,0%	87,0%
Italy	94,0%	95,0%	N/A	54,0%
Japan	96,0%	98,0%	66,0%	87,0%
Kazakhstan	99,0%	97,0%	90,0%	74,0%
Lithuania	93,0%	92,0%	87,0%	87,0%
Mexico	78,0%	81,0%	72,0%	57,0%
Mozambique	87,0%	88,0%	94,0%	84,0%
Nigeria	54,0%	57,0%	88,0%	30,0%
Pakistan	75,0%	75,0%	93,0%	48,0%
Philippines	67,0%	65,0%	86,0%	43,0%
Poland	93,0%	95,0%	N/A	87,0%
Russia	98,0%	97,0%	68,0%	87,0%
Saudi Arabia	95,0%	96,0%	90,0%	87,0%
South Africa	72,0%	77,0%	79,0%	58,0%
Spain	98,0%	96,0%	47,0%	87,0%
Switzerland	95,0%	96,0%	68,0%	87,0%
Turkey	97,0%	99,0%	83,0%	69,0%
Uganda	87,0%	93,0%	82,0%	68,0%
United Kingdom	91,0%	93,0%	78,0%	89,0%
United States	90,0%	94,0%	75,0%	87,0%
Venezuela	93,0%	64,0%	81,0%	69,0%

Source: World Bank, www.worldbank.org, *World Development Indicators*, accessed 11 April 2022

^a Proportion of registered cases, 2019.

^b Proportion of estimated cases, 2020.

N/A —Not available.

Healthcare

Under-five mortality rate ^a , selected countries, 1990 and 2020			
Country	1990	2020	Change
Australia	9,2	3,7	-59,8%
Botswana	51,2	44,8	-12,5%
Brazil	63,0	14,7	-76,7%
Chile	19,1	6,8	-64,4%
China	53,7	7,3	-86,4%
Denmark	8,9	3,6	-59,6%
Egypt	85,8	19,5	-77,3%
France	9,0	4,4	-51,1%
Germany	8,5	3,7	-56,5%
Ghana	127,4	44,7	-64,9%
Greece	10,4	4,1	-60,6%
India	126,2	32,6	-74,2%
Indonesia	84,2	23,0	-72,7%
Ireland	9,2	3,0	-67,4%
Israel	11,6	3,6	-69,0%
Italy	9,6	2,9	-69,8%
Japan	6,3	2,5	-60,3%
Kazakhstan	52,3	10,0	-80,9%
Lithuania	15,0	3,3	-78,0%
Mexico	44,8	13,7	-69,4%
Mozambique	241,3	70,6	-70,7%
Nigeria	210,9	113,8	-46,0%
Pakistan	138,9	65,2	-53,1%
Philippines	56,7	26,4	-53,4%
Poland	17,4	4,4	-74,7%
Russia	21,6	5,4	-75,0%
Saudi Arabia	44,7	7,0	-84,3%
South Africa	59,2	32,2	-45,6%
Spain	9,1	3,2	-64,8%
Switzerland	8,2	4,0	-51,2%
Turkey	73,9	9,5	-87,1%
Uganda	184,7	43,3	-76,6%
United Kingdom	9,3	4,2	-54,8%
United States	11,2	6,3	-43,8%
Venezuela	29,5	24,2	-18,0%

Source: World Bank, databank.worldbank.org, *World Development Indicators*, accessed 11 April 2022

^a The number of children who die by the age of five in a year, per 1 000 live births, during that year.

N/A - Not available.