

Competition Commission Market Conduct Division Private Bag X23 Lynnwood Ridge 0040

By email: TlaboM@compcom.co.za / PriyaR@compcom.co.za

29 July 2022

Dear Ms Reddy

Brief comment on case number: 2022Apr0022

We are the South African Society of Cardiovascular Intervention (SASCI). We are an affiliated group of SA Heart Association, representing healthcare professionals in the broader field of cardiology.

We will limit our comments to matters that could affect us, and the important principle relating to piece-meal "implementation" of the Health Market Inquiry (HMI) recommendations.

Like many healthcare professional associations, SASCI and its members have supported the recommendations of the HMI, most specifically the proposed models to facilitate collective bargaining in the private health sector. There is consensus that the failure to have some kind of system relating to healthcare professional- and facility fees, is detrimental to all.

For SASCI, its members are at the receiving end of benefit levels and reimbursement rates, as set by medical schemes. The survey SASCI undertook in response to the HMI's invitation to comment, showed that most (close to 75%) of respondents set their tariffs / fees at the level of what schemes would reimburse. Medical scheme annual reimbursement levels have also lagged behind inflation for the past years.

SASCI believes this to be true for most, if not all, professional groupings. It is for this reason that SASCI objects against the piecemeal implementation of the HMI recommendations through ad hoc exemption applications. This cannot be in the interest of the health sector at large, as it would create pockets of entities exempted from the Act, and free from the constraints of the Act. It would therefore also entrench power-blocks, or create new one power-blocks.

SASCI supports the general practitioner population, and is equally concerned about the economic- and numerical decline in this key group of frontline healthcare professionals. General practitioners should act as gatekeepers in the health system. SASCI understands that intervention is needed in order to re-configure the health sector and to create a supportive- and enabling environment for general practitioners. It, however, does not believe that collective bargaining should be implemented in parts of-, but not the whole provider sector.

SASCI also believes that, as not being a participant of collective negotiation, should that be permitted, it would be at a disadvantage. This is as coding systems do not operate in isolation, and the weights afforded to certain billing / procedural codes, in terms of its ratio's would be affected.

Block-, centralized procurement of medical devices (including surgical and consumables) by general practitioners could also affect pricing and products availability and could affect other stakeholder groups.





In light of the above, we suggest that, although urgent attention must be given to the issue of general practice, the Competition Commission consider the knock-on effects of the exemptions granted for certain stakeholders. It also does not seem practical for each stakeholder group to now approach the Commission to obtain such exemptions.

SASCI urges the Commission to take steps to ensure that the recommendations are conveyed by its line Minister to the Minister of Health, so as to ensure a consistent and coherent implementation thereof.

SASCI remains willing to engage with the Commission on health sector matters.

SASCI can be contacted at: sasci@sasci.co.za and 083 458 5954

