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Are South Africa's new health policies making a difference?

2008-03-31T08:35:30Z
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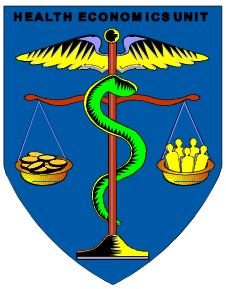
Equity Briefing





Are South Africa's new health policies making a difference?

Since 1994 the South African government has placed equity at the heart of its health policy goals. Yet, how successful have the policies been in reducing inequity? This study provides some answers, based on evidence from household studies carried out between 1992 and 2003.

The challenge of reducing equity

The data suggest that, despite policy efforts, there are still inequities in access to and utilisation of health services. Underlying challenges include:

- worsening community perceptions of the quality of public health care services; and
- the influence of health insurance on the way in which services are used.

The study also highlighted a lack of quality data to understand more fully the impact of health polices at household level. There is a need for further research that combines qualitative approaches with the more quantitative household survey techniques.

The policy focus on equity

In 1994, massive inequities in income, health status and access to health and other social services existed in South Africa. To redress this legacy of apartheid, the democratically elected South African government placed equity at the heart of its health policy goals.

After 13 years of policy change, surprisingly little monitoring or evaluation of policy impacts has been undertaken. However, this paper provides a useful overview based on the existing data from household surveys and studies carried out between 1992 and 2003 (see Box 2). It also provides some direction for the future research needed to compile a more detailed picture.

The South African experience can inform international policy debates about health equity, particularly in relation to:

- the way in which health services are used by households of different socio-economic groups;
- the extent to which policies can improve the access of poor households to health care and protect people from the cost burdens of ill-health.

Box 1 The current structure of the South African health system

The **public** health sector:

- a three-tier system involving national, provincial and local government;
- mainly funded from national taxes, with a small contribution from local government revenue and user fees.

The **private** sector:

- generalist and specialist practitioners; pharmacies; private hospitals; traditional healers;
- mainly funded through **medical schemes** (a form of private, voluntary health insurance) and out-of-pocket payments, particularly for primary care services and acute medicines.

Gilson, L. and McIntyre, D. (2007) Post-apartheid challenges: household access and use of care. *International Journal of Health Services* **37**(4): 673-691

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Key findings of the study

- The use of health services often depends on income, or access to health insurance, rather than a person's need for health care (i.e. how sick the person is). In particular:
  - although most people seek health care when they experience the signs of an illness, people in low-income groups are likely to 'ignore' illness until it is severe;
  - one study showed that the *poor* are likely to use doctors *less* than would be expected, given their vulnerability to illness; and that *higher income groups* use hospitals *more* than may be necessary;
  - people are more likely to seek health care if they have health insurance.
- Most people seek professional care from formal health care providers, although perhaps in combination with informal care.
- Public sector facilities are used more by the poor than the rich.
- The poor prefer to use hospitals rather than clinics.
- The rich, and people who are members of medical schemes (see Box 1), prefer to use private doctors.
- There is a general trend towards an increased use of private sector services. This may reflect the growth of private sector services in urban areas, where there has been an increase in new private hospitals.
- Despite the removal of user fees for primary health care services, there is still a high number of people on low incomes who perceive cost to be a barrier to accessing health care services. This may indicate problems with the means testing interview for hospital fee exemptions, although it may also be influenced by increases in the cost of transport and other household expenditure. As yet there is not enough data to fully assess the impact of polices on the cost burden of ill health, and how it affects households.
- The number of people with health insurance is declining, due to the rising costs of medical schemes.

Box 2 **The household surveys analysed in the study**

Omnibus Survey (1992) - Human Sciences Research Council

Project for Statistics on Living Standards and Development Survey (LSDS) (1993) - South African Labour and Development Research Unit

KwaZulu-Natal Income Dynamic Study (1993 and 1998) - LSDS data for one province plus follow-up of same households

National Household Survey of Health Inequalities in South Africa (1994-1995 and 1998) - Community Agency for Social Enquiry

October Household Survey (1995) and *Annual Survey* (1993-99)- Statistics South Africa

Ge*neral Household Survey* (2003) - Statistics South Africa

The impact of government policies on these findings

The paper discusses a range of policy interventions and their influence on the patterns of health care utilisation at household level. In general, since 1994, public health care services have been made more available and affordable to people with low incomes. However, further progress in addressing inequities in access to health has been constrained by stagnant health budgets, staff losses and low staff morale.

In particular, the loss of staff from the public sector has been an important factor undermining public sector services. Many public sector health workers have moved to the private sector and to other countries. An increase in staff salaries in 1995 failed to retain public sector health workers because the higher salaries were not sustained over the following years as the health budget did not increase – it did not even keep up with inflation.

Recent health policies have had a very limited focus on the private sector, despite the sector's rapid growth. The household survey data shows that there has been an overall increase in the use of private health care providers, which largely serve people in the higher income groups. In order to address health system inequities, policy makers and analysts need to pay closer attention to the comprehensive regulation of the private sector and the achievement of a more equitable public-private mix.

Implications for future research

This study found that the data from existing household surveys was often not sufficient to gain a detailed understanding of what affects people's use of health services. More detailed information on the costs of accessing and using health services is needed in order to monitor and evaluate the impact of those costs on household income and livelihoods.

In order to address some key problems in the existing household survey data, such as those relating to the consistency of data and under- or misreporting by respondents, the paper recommends that:

- qualitative methods of inquiry are used in combination with quantitative household survey techniques;
- common approaches to socio-economic status assessment, and common wording of the questions that are used repeatedly in surveys, are developed;
- priority questions are included in a greater range of surveys;
- the relatively uniform design of internationally developed household surveys are adapted to make them relevant to the local context.

Copies of the paper are available from
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This briefing paper was prepared with funding from the **Rockefeller Foundation** (grant no. 2003 HE 039)