

# South Africa's healthcare sector – changed in 2023, renewed in 2024

By [Damian McHugh](#)

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South Africa's healthcare sector will undergo significant change in 2024. Following what was a transformative 2023, bold visions from key industry players will continue to unfold, with the ultimate goal focusing on creating greater access and improved health outcomes for all South Africans.



Source: Supplied. Damian McHugh, executive head: Marketing and Distribution, Momentum Health Solutions.

Various trends gained significant popularity in 2023, including virtual healthcare, more intention on proactive healthcare approaches and preventative care, as well as increased awareness on mental health.

A pleasing and important trend to note was that overall wellness was a clear focus for South Africans, demonstrating a positive uptick in people taking responsibility for their health, both from a physical and mental perspective. We saw this trend clearly in member interaction with our newly enhanced wellness programme, Multiply. Member behaviour has reflected that there is a need for incentivised programmes that both advise and encourage individuals to have fun while improving their overall wellbeing.

During the year, considerable progress was made in the framework to develop the National Health Insurance (NHI). The country's healthcare system has been under significant strain for a long time, something that the Covid-19 pandemic further exposed.

In understanding that the current healthcare sector cannot cater to the majority of citizen's healthcare needs, government and key sector players have prioritised the NHI's implementation. While 2023 saw considerable debate regarding its structure and rollout, the public debates provided opportunity for robust discussion and the opportunity to forge future looking partnerships to support the NHI through an equitable, people-centred system.

The rollout is complex, however, and public-private partnership will be key in 2024 in ensuring that the NHI positively transforms the sector.

With the introduction of the NHI, worries are mounting regarding heightened risk of healthcare fraud. Last year saw numerous allegations of fraud by major industry players coming to light. 2024 will be a crucial year for establishing policies and protocols to safeguard an already vulnerable sector from not just fraud, but also wastage and abuse.



## Does NHI spell the end for medical aid and gap cover?

24 Jan 2024



The Fraud, Waste and Abuse Indaba, organised by the Board of Healthcare Funders in November 2023, revealed that South Africa's healthcare sector lost R30bn to fraud, wastage, and abuse. This amount is astonishing, especially when considering the potential benefits if these funds were properly allocated and spent.

Given the current socio-economic landscape, it is more important than ever to prioritise ethics and ensure major players within the healthcare sector operate in the interest of protecting their members.

## AI revolutionises healthcare transformation

While the NHI will indeed transform the sector, another key area of transformation will be the ongoing rise of artificial intelligence (AI) and its wider application in healthcare. The 2024 World Economic Forum hosted in Davos in January placed considerable focus on the impact that AI will have in healthcare and the benefits of leveraging AI to enhance healthcare delivery and outcomes in complex countries such as South Africa.

We have already seen the positive impact that AI has had such as offering greater insight into our members' overall health profiles that enables us to support them on their wellness journeys.

Looking forward, we can see how Generative AI will continue to improve efficiencies when looking at administration and access to information through electronic health records that are available more readily than ever before.

Virtual healthcare will continue to grow, as it has provided greater access to healthcare services through our mobile devices

or laptops. As a business, Momentum Health Solutions has adopted various elements of AI across our business to maximise efficiencies and healthcare outcomes for our members.

We are excited to see what is possible in 2024, not only as a business, but as an industry.

## **Shaping the future**

From a medical-scheme sector perspective, the industry will experience significant change in 2024 due to various factors, including ageing membership profiles and increased demand for flexibility within plan types and options.

We saw 2023 deliver various low-cost solutions and plans that specifically cater for young, low-income South Africans. As such, it will be a year of increased competition to ensure that medical aids are offering tailor made solutions for all member types and profiles.

Our innovative approach that provides employers and members with flexibility in their scheme or insurance solutions will ensure that members have the right level of cover at the most affordable price without unnecessary wastage.

It is clear that South Africa's healthcare sector needs more commitment from sector players in building a healthcare system that can deliver quality care to all. We also need a healthcare system that enables the economy by prioritising the overall health of its people. We are committed to playing our part in improving the sector and look forward to a year of positive transformation and change.

## **ABOUT THE AUTHOR**

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