

Healthcare reform must be built on stability, not slogans

By [Kevin Aron](#), issued by [Medshield](#) 10 Mar 2026

Healthcare policy in South Africa has become emotionally charged. While National Health Insurance (NHI) is often presented as an inevitable endpoint, medical schemes are portrayed as temporary structures awaiting replacement. The [2026 Healthcare Budget](#) tells a more sober story. What stood out to me was not dramatic reform, but restraint.

There is no new NHI tax. The government kept medical tax credits and did not accelerate the implementation timetable. Instead, the focus is on stabilising the fiscus, strengthening public systems, and restoring credibility. In my view, that signals something important: the South African healthcare reality is beginning to anchor the healthcare conversation.



Author: Kevin Aron, principal officer at Medshield Medical Scheme

You cannot build universal care on a fragile foundation

Let us be honest. You cannot centralise healthcare funding while public hospitals are struggling with maintenance backlogs, staffing losses, procurement failures and governance weaknesses. You cannot promise universal access without first ensuring that facilities are functional, accountable and safe. Reform without capacity is not transformation. It is a risk.

NHI also remains deeply entangled in litigation. Multiple court challenges are pending, including constitutional issues. Until those matters are resolved, NHI implementation is constrained. The full cost of a single-payer model is still uncertain. South Africa's tax base is narrow, and fiscal space is limited. The budget reflects that reality. It focuses on strengthening the system before restructuring it. That order is responsible governance, not retreat.

There is a narrative that medical schemes and public healthcare exist in opposition to one another. I reject that. A well-functioning public healthcare sector is not a threat to medical schemes. It is essential to a stable national health ecosystem.

Millions of South Africans cannot afford private medical scheme cover. Many who remain on schemes do under significant financial pressure because they do not feel confident exiting the private healthcare system. That tension creates instability for families and for the healthcare funding industry. If the public sector resourced hospitals properly, managed them professionally and governed with integrity, confidence will grow. Pressure on private funding pools will ease. Healthcare utilisation patterns will become more predictable, and, more importantly, genuine collaboration will become possible.

A credible public health system could operate as a contracted provider for medical schemes in a defined context. Members on lower-cost options could receive care at public facilities, with schemes reimbursing the state at agreed tariffs. That would lower overall system costs while responsibly expanding access. That is what a practical public-private partnership looks like: shared responsibility, disciplined contracting and clear accountability.

Affordability is the real test of fixing the healthcare system

While policy debates continue, the main issue for medical schemes is affordability. Suppose contributions rise faster than incomes, membership will drop. If fraud, waste and over-servicing are not tackled, value will decrease. If funding models reward activity rather than outcomes, sustainability will continue to suffer.

The decision in this budget to fully adjust medical tax credits for inflation is therefore significant. It preserves members' purchasing power and recognises the financial pressure facing households. Anchoring inflation expectations also helps create discipline in tariff negotiations with healthcare providers. However, cost containment cannot rely only on macroeconomic trends. It requires industry leadership, innovative reimbursement models, preventative care strategies and responsible pricing.

There has been understandable anxiety about medical schemes under NHI. My view is clear: medical schemes will continue for the foreseeable future. Even with ambitious reforms, transition takes years. In the meantime, schemes remain essential for healthcare access and system stability. Members need reassurance that their partner is financially sound, well-managed, and focused on value. Stability results from disciplined governance and actuarial responsibility.

Reform requires discipline, not ideology

We cannot separate healthcare economic performance. When the economy grows, employment expands and when employment expands, contribution pools strengthen. When contribution pools strengthen, sustainability improves.

The 2026 budget signals stabilisation. Growth projections are modest but improving. Fiscal discipline is being reinforced. Debt is managed more carefully. These macroeconomic shifts matter for healthcare funding. South Africa deserves a healthcare system that works, both public and private. Ideological confrontation will not achieve this. Disciplined governance, anti-corruption, smarter contracting, preventative care, and real fiscal planning will.

The role of medical schemes in that system is not adversarial. It is complementary. If we use this period to strengthen public facilities, clean up procurement, build collaborative funding models and protect affordability, we can construct a more integrated system over time.

At Medshield Medical Scheme, our approach is long-term. We do not see our members as annual policyholders, but as partners. Being a Partner for Life is more than paying claims. It means protecting

solvency so members can rely on us in the event of serious illness. It means prioritising prevention to identify chronic conditions early. It means investing in risk models that limit unnecessary procedures and reward better outcomes. It also means providing stability in uncertain times. A reform rooted in stability, collaboration, and fiscal realism may not generate dramatic headlines, but it endures, and in healthcare, endurance matters.

ABOUT THE AUTHOR

Kevin Aron is principal officer at Medshield Medical Scheme.

- **Medshield activates wellness at the Suncoast East Coast Radio Big Walk 2026** 12 May 2026
- **Protect your circle: Get your flu vaccination now!** 30 Apr 2026
- **We won the war against these diseases, then we stopped showing up** 29 Apr 2026
- **Are you losing your vision without realising it?** 23 Mar 2026
- **Healthcare reform must be built on stability, not slogans** 10 Mar 2026

[Medshield](#)



Protect your tomorrow with Medshield Medical Scheme; your trusted Partner for Life since 1968.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>