



PRIVATE PRACTICE REVIEW

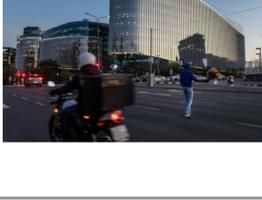
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Discovery to buy head office for R4.05bn

Discovery Medical Scheme is to buy its head office in Sandton from landlords Growthpoint and Zenprop for R4.05bn, reported **Moneyweb** (6 Feb 2026). According to a **Netwerk24** report in 2019, the group was paying R280m in rent annually at the time, with this reportedly set to increase to R600m (or R50m a month) by 2028.

Picture: **Bloomberg**



FOOD FOR THOUGHT

GDP growth tied to societal health

"Leaders in emerging markets are under pressure. Economies are strained. Geopolitical tension is rising. Growth must be sustained. Yet policy debates often miss one core driver of national performance: health," wrote **Sgar Rangoonwala**, senior vice-president of Johnson & Johnson EMEA Emerging Markets in **The Citizen** (4 Feb 2026).



Healthcare investment is a key driver of GDP growth because healthier societies are more productive, innovative and resilient. When absenteeism falls - and people remain active in the workforce - economies benefit from higher output and sustained talent. While infrastructure and technology have transformed developing markets, economic growth cannot be sustained if populations are unwell. Health spending should therefore be viewed as an investment.

Although public debate often blames medicines for rising health budgets, pharmaceuticals account for a relatively small share of global GDP. In contrast, innovation across medicines, diagnostics, digital tools and care pathways can reduce long-term costs through earlier diagnosis, effective treatment and prevention of costly complications.

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Tax Credit cut could reshape private healthcare

SA's healthcare funding model could squeeze household affordability, destabilise parts of the private sector and push more patients into a public system already under strain, wrote **Luyanda Njilo**, senior research analyst at Nedbank Corporate & Investment Banking in **Business Day** (6 Feb 2026).



The proposed withdrawal of medical scheme tax credits, starting with high-income earners in 2026 and extending to all taxpayers by 2027, is framed as a revenue-raising measure to support the NHI.

"According to experts, removing medical scheme tax credits could reduce membership by about 6% and cut private healthcare spending by roughly R20bn. That would be a sharper shock than the pandemic years when membership is estimated to have fallen by around 1% and private spending contracted by about 4%.

"For private hospitals, the potential revenue hit is estimated at R5bn, with the impact concentrated among mid-tier consumers."

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'Value-Based Healthcare: Bridging the Prevention Gap'



Value-based healthcare (VBHC) is gaining traction in boardrooms and policy circles. VBHC shifts payment away from fee-for-service volume, rewarding measurable outcomes over time, wrote **Murshid Obaray**, businessman and lecturer at the School of Commerce, in **Daily Maverick** (11 Feb 2026).

VBHC argues that early intervention is cheaper than treating crisis events such as hip fractures which trigger surgery, rehabilitation, disability and long-term costs. It shifts payment from volume to measurable outcomes, promoting "whole-cycle" care, bundled payments and broader prescribed minimum benefits (PMBs) to fund secondary conditions.

However, trust in VBHC is strained by industry surpluses, multimillion-rand executive remuneration packages and opaque returns on medical savings accounts.

As SA debates NHI and medical scheme reform, the central choice is clear: pay for prevention and track outcomes or continue funding acute illness at rising costs.

"If NHI and private schemes both keep paying mainly for acute episodes, costs will keep rising with chronic disease. If prevention is priced in and outcomes are tracked, the system can bend the curve."

"The policy question is no longer whether prevention matters. The question is whether SA will pay for health earlier or pay more for sickness later."

UPDATE ON NHI NEWS

'NHI litigation takes a sharp procedural turn'

"National Health Insurance (NHI) litigation has taken a sharp procedural turn.

"The Constitutional Court has indicated it wants to hear, first, from parties attacking Parliament's public participation process on the NHI Bill," reported **Business Day** (11 Feb 2026).

The decision implies that, if the public participation challenge succeeds, arguments about the President's decision to sign the NHI Act may become irrelevant.

"If the Court finds the process constitutionally defective, it could invalidate the Act or force Parliament to start over. That would reshape timelines for any NHI rollout and reframe the policy debate as much as the legal one."

The Constitutional Court will hear arguments from 5 - 7 May.

Background:

In May 2025 President Ramaphosa and Health Minister Aaron Motsoaledi appealed a Pretoria High Court judgment that found the President's decision to assent to and sign the NHI Act reviewable.

The President was ordered to provide the record underpinning his decision-making although the order was suspended pending appeal proceedings.

Reaction:

The Board of Healthcare Funders (BHF) warned that drawn-out processes will increase legal spend and prolong uncertainty for medical schemes.

The SA Private Practitioners Forum (SAPPF) argued that their constitutional concerns stand on their own and should not be sidelined by what they consider speculative "mootness".

Implications:

"A ruling on participation could ripple across procurement planning, private provider contracting assumptions, scheme product design and provincial delivery models. It will also influence how quickly the Government can move from enabling legislation to operational detail."



NEWS FROM GOVERNMENT



Above: Lesiba Malotana



Right: Nomantu Nkomo-Ralehoko

Gauteng Health leadership crisis intensifies

Despite reports that an SiU lifestyle audit linked Lesiba Malotana, former Gauteng Health Head of Department, to around R1.6m connected to Tembisa Hospital, Health MEC Nomantu Nkomo-Ralehoko called her "the best the Department has ever had". - **Sunday Times** 98 Feb 2026

Meanwhile, Malotana has returned to work after a 60-day precautionary suspension expired and disciplinary charges were laid, with hearings continuing and officials redeployed as investigation risks eased.

The case links to wider controversy around alleged efforts to install him as HOD, a disputed R3.7m claim by predecessor Nomonde Noluthungu and tensions over leadership stability.

"Together, governance disputes, staffing shifts and messaging concerns raise broader questions about accountability, patient experience and public trust in Gauteng's health system."

No overcrowding in Gauteng hospitals, says MEC

Following several claims of overcrowding and poor patient conditions in Gauteng hospitals, Health MEC Nomantu Nkomo-Ralehoko reacted that there is no overcrowding crisis because she has not personally seen patients sleeping on floors.

- **TimesLive** (10 Feb 2-26)

She criticised journalists and suggested that reporting relied on 'assumptions'. She has also blocked journalists from hospitals. The media responded by saying: "Cameras are not the enemy of progress; they are part of public accountability."

"Some stakeholders acknowledge that improvements have been made. Renovations have taken place. Certain clinics and hospitals are in better shape than before. But critics warn that progress in some facilities does not erase pressure in others."

PHARMACEUTICAL NEWS

SA sales of weight-loss drugs surge amid global rise in lawsuits



Sales of GLP-1 weight-loss medicines are rising rapidly in SA, mirroring global trends, but concerns about serious side effects are also growing. - **Medical Brief** (5 Feb 2026)

More than 4 000 patients have joined legal action against manufacturers, with many reporting gastroparesis or severe gastrointestinal complications while regulators warn of rare risks such as acute pancreatitis.

Locally, spending on Ozempic has surged in medical scheme data and Mounjaro has reportedly become the country's top-selling pharmaceutical product.

However, high monthly costs and limited medical scheme coverage restrict access, particularly for weight management, which is not a prescribed minimum benefit (PMB).

More affordable generic GLP-1 products are expected to become available on the global market from next year.

GENERAL NEWS

Bogus Doctors putting lives at risk

The Health Professions Council of SA (HPCSA) warned that unregistered practitioners are putting lives at risk as new cases of "bogus doctors" continue to surface, reported **Spotlight** (10 February 2026).



The label "bogus doctors" also refers to anyone providing care without proper registration, including physiotherapists, interns and other professionals using forged certificates or another practitioner's registration details.

According to a report by risk management firm D-Finitive healthcare fraud caused losses of between R22bn and R28bn.

Dr Magome Masike, registrar of the HPCSA, revealed that 49 bogus practitioners were caught and arrested from March 2024 to February 2025 and 3,708 complaints had been received over five years.

NEWS FROM MEDICAL SCHEMES

CMS takes Sizwe Hosmed to Court

The Council for Medical Schemes (CMS) filed an affidavit in the High Court of Pretoria accusing Medical Scheme Sizwe Hosmed of duplicating claims exceeding R522m, stale claims worth R81m, procurement tenders and alleged misuse of a corporate credit card.

- **Business Day** (6 Feb 2026)



This follows a court application brought by Sizwe Hosmed's former board of trustees requesting the removal of the curator, Lebogang Mpakati, and to rescind the curatorship. Cata Logistics and its liquidators claim that Mpakati's company received R2.34m in excess of the fees she was entitled to as a business rescue practitioner.

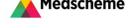
Mpakati reacted that "sensationalising" the proceedings reflects panic from those who feel threatened.

"Data from CMS industry reports show Sizwe Hosmed's fees were materially above open-scheme averages in 2021, 2022 and 2023. In 2022, the scheme paid managed care fees of R105.15 per beneficiary per month, compared with an open-scheme average of R60.43. The same year, it paid R224.81 per beneficiary per month for administration. That was 23.6% higher than the open-scheme average."

On 12 Feb **Business Day** reported that the CMS has won its High Court bid to replace Sizwe Hosmed's curator. The order ends Lebogang Mpakati's curatorship and appoints Ian Fleming with immediate effect.



Bonitas breaks ties; Medscheme fights back



Bonitas Medical Scheme announced that it is ending its long-running (40 years) administration relationship with Medscheme. - **Business Day** (2 Feb 2026)

On 28 January Bonitas, which covers more than 730,000 people, appointed Momentum to take over its administration services contract and awarded its managed care services contract to Private Health Administrators (PHA). The changes cover all Bonitas options except Boncap, its low-income option.

Meanwhile, Medscheme, a subsidiary of JSE-listed investment group Afrocentric, will appear in the High Court on 3 March to interdict the awarding of the contracts pending the outcome of a probe by the CMS into alleged tender irregularities.

Bonitas principal officer, Lee Callakoppen, said Medscheme is seeking to halt awards that have already happened and claimed that the litigation is an abuse of process because it could compel Bonitas to continue paying Medscheme for years while the CMS investigation proceeds.

HEALTHMAN DIARY



SAPPF Webinar: A defining conversation for healthcare professionals

SAPPF invites you to a critical and timely, CPD accredited webinar.

Date: Thursday, 26 February 2026

Time: 18h30 to 20h00

Speaker Session 1: Paula Quinsee

Embracing No - Why We Should and How We Can Benefit

Speakers Session 2: Dr Simon Strachan and Philip Matley

NH - The Reality, the Risk and the Response

This is not just another webinar. It is a moment to pause, reflect and take a collective stand for ourselves, our practices and our patients.

[REGISTER HERE](#)

18 February:

Free Webinar: Medical Chronical:

CPD accredited: Ethical responsibilities of Healthcare Practitioners on Social Media