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Private Practice Review 2 Jan - June 2026

HealthMan
30 YRS
PRIVATE PRACTICE REVIEW

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Second summary of healthcare news highlights: January - June 2026:
Food for Thought, Financial News, Pharmaceutical News, General News and News from Medical News

FOOD FOR THOUGHT

The end of global health funding's 'golden age'

"The 'golden age' of global health funding has reached a definitive end. Funding accelerated in the early 2000s and spiked during the pandemic. However, it began falling sharply after 2021. Experts now warn that we are entering an era of deep uncertainty," reported ***Bloomberg*** (15 March 2026).
SA has lost about R7.4bn in US federal funding for HIV prevention and treatment; reflecting a broader retreat of Western donors from African health programmes.
Private philanthropy has also declined, with funding dropping 15% this year to roughly R50.46bn.
Nonprofit organisations are trying to cover major budget gaps by accepting pharmaceutical company funding while others face months-long delays in receiving promised grants.
Administrative delays at the National Lottery and stricter US compliance checks have further disrupted cash flow, forcing some providers to turn away patients needing urgent care.

Scheme increases have outpaced inflation

ALL MEDICAL SCHEMES IN SOUTH AFRICA

The Reserve Bank sounded the alarm over persistent health insurance price increases which have outpaced inflation for much of the past decade.
- ***Daily Maverick*** 1 May 2026

This was attributed to overutilisation, market inefficiencies, inadequate oversight and weak competition in SA's private healthcare industry.
In the latest ***Monetary Policy Review*** it was noted that SA has only three hospital groups accounting for about 90% of admissions and three administrators covering nearly 80% of all beneficiaries.
From 2014 to 2024, intensive care unit admissions increased by 32.5% and high care admissions by 27.8%, while medical scheme beneficiaries grew by only 4%.
While inflation for medicines, medical products and services has broadly tracked headline inflation, the Reserve Bank said medical scheme premiums have escalated at a rate well above this.
Another major reason for above-inflation medical premium increases is market inefficiencies, compounding costs, diluting cost containment and enabling fraud and abuse, according to the report.

SA doctors turn to AI tools

"Many SA doctors and allied healthcare workers are embracing artificial intelligence (AI) tools designed to reduce administrative pressure and give clinicians more time with patients," wrote **Chris Bateman** in ***Financial Mail*** (18 June 2026).

AI-powered speech-to-text platforms can capture consultations in real time, generate clinical notes, assist with referral letters, support coding and help prepare prescriptions.
Developers emphasise that these tools are designed to enhance, not replace, clinical judgment.
Platforms such as Heidi support all 11 official SA languages and integrate information from multiple digital systems while Nora functions as an automated clinical scribe and workflow assistant with users reportedly saving up to three hours daily.
Academic institutions, including the University of Cape Town, are exploring AI applications in medical training.
Developers say the systems comply with the Protection of Personal Information Act and Health Professions Council guidelines on oversight and accountability.

FINANCIAL NEWS

R11bn NHLS debt raises alarm over public health services

Business Day reported on 14 June that the outstanding debt of the National Health Laboratory Service laboratory (NHLS) had reached about R11bn in March 2026. Gauteng reportedly owed about R3.3bn and KwaZulu-Natal about R3.94bn.
The amount includes debts for critical services already provided to the public health system and reflects failure in financial governance, weak coordination and poor accountability across parts of government.
The NHLS warned Parliament that delayed provincial payments are undermining its ability to replace ageing equipment, fill critical vacancies, strengthen disease surveillance and modernise IT systems.
A financially weakened NHLS could struggle to detect outbreaks, monitor antimicrobial resistance and respond to emerging health threats, according to the report.
The Portfolio Committee on Health reacted that oversight must shift to action with provinces required to submit repayment plans and face consequences for non-payment.

Pharmacy giants intensify battle for SA shoppers

SA's retail pharmacy sector has entered a new phase of competition, with Clicks and Dis-Chem battling for consumer loyalty in a market where growth increasingly depends on taking share from rivals. – ***Financial Mail*** (28 May 2026)
According to the latest numbers Dis-Chem appears to be winning the revenue growth (10.1%) race while Clicks retained a stronger trading margin of 9.1% and headline earnings of R1.53bn, up 6.4%.
Loyalty schemes have become the new battleground: Dis-Chem's Better Rewards programme returned R410m in customer savings within 17 weeks; boosting sales growth and attracting 550,000 returning shoppers. Clicks' ClubCard remains dominant with 12.9m active members contributing most sales despite supply-chain disruptions that cost the retailer R175m in sales.

CLICKS
pharmacy

Clicks shows solid growth

In April Clicks reported that it has increased its footprint to 1,003 stores.
The national pharmacy network expanded to 795. The group plans to open 40 – 50 new stores and the same number of new pharmacies in the 2026 financial year. It will also pilot 10 differentiated concept stores in the second half of the year.

Spar targets the wellness market

The Spar Group plans to expand its pharmacy front-shop offering by introducing a "bespoke wellness concept", reported ***Business Times.***
According to Spar CEO Angle Swartz the group will develop a wellness concept for its pharmacies and Spar stores; focusing on wellness products.
"The move aims to strengthen Spar's position in a highly competitive retail space where rivals like Clicks and Dis-Chem now focus on the 'prevention over cure' trend."

Dis-Chem PHARMACY

Dis-Chem transforms

Since Dis-Chem's founding director Stanley Goetsch retired in June, the pharmaceutical group started implimenting a new model involving transforming the group from a traditional pharmacy into an integrated provider.
The group now offers virtual doctor consultations, life cover and medical insurance.
Dis-Chem plans 40 new stores, building on 285 outlets, while investing in digital innovation to expand affordable access locally. – ***Business Times*** (5 April 2026)

- In January the CMS found that Dis-Chem's health insurance branding on certain products breached the Medical Schemes Act.
  This follows Centriq Insurance Company's decision to market its MyHealth Core and MyHealth Vital products under the Dis-Chem name without the required CMS approval.

Medical negligence claims drop, but crisis remains

Medical negligence payouts by provincial health departments have declined in recent years from R1.8bn in 2019/20 to R1.1bn in 2024/25. This is largely due to the State's more aggressive approach to contesting and settling claims.

However, the overall burden remains severe, with contingent liabilities reaching R62bn; more than 20% of the public health budget. Most claims stem from obstetric injuries, particularly cerebral palsy cases, alongside trauma and orthopaedic incidents.
A proposed "voucher system," allowing ongoing care instead of lump-sum payouts, was rejected by the Supreme Court of Appeal, which upheld the "one-and-for-all" rule requiring full compensation upfront. - ***Ground Up*** *(29 April)*

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Remgro to restructure interests in Mediclinic

Court orders release of medical records in listeriosis case

Biovac retains contract to supply Hexaxim

GEMS changes may slow down Netcare patient growth

Funding cuts cripple HIV drug distribution

PHARMACEUTICAL NEWS

Focus on weight-loss drugs

Popularity of weight-loss drugs on the increase

Recent surveys have confirmed that GLP-1 weight-loss medications like *Ozempic, Wegovy* and *Mounjaro* are becoming more popular in the local market, reported ***TimesLive*** *in April.*

According to the latest data 13% of South Africans are either already using or actively considering these medications while 63% has never heard of it.
Glucagon-like peptide-1 receptor agonists, originally designed for type2 diabetes, have become global sensations for weight management.
More affordable generic GLP-1 products are expected to become available on the global market from next year.

Also read:

wegovy
1,7 mg

Growing concerns about side-effects

In February ***The British Medical Journal (BMJ)*** voiced growing concerns about serious side-effects in overweight patients taking weight-loss drugs..
More than 4 000 patients joined legal action against manufacturers, with many reporting gastroparesis or severe gastrointestinal complications, while regulators warn of rare risks such as acute pancreatitis.
Reviewing data on 9,341 obese or overweight patients, researchers found that patients regained an average of nearly 0.4kg per month after stopping weight-loss drugs like *Ozempic* and *Wegovy*. They were projected to return to pre-treatment weight within 1.7 years.
Heart health risk factors, such as blood pressure and cholesterol levels that benefited from the drugs, were projected to return to pre-treatment levels within 1.4 years.

Court blocks iDexis

On 23 June ***Reuters*** reported that the High Court granted an interim order in the case between the pharmaceutical giant Novo Nordisk and the Pretoria pharmacy group iDexis. The order prevents iDexis from manufacturing, supplying and marketing weight-loss medicines containing semaglutide; the active ingredient in Novo Nordisk's blockbuster diabetes treatment *Ozempic* and weight-loss drug *Wegovy*.

Call for complete ban on GLP-1

The Pharmaceutical Task Group called for a complete ban on GLP-1 compounding citing safety concerns and international regulatory precedents.
The case comes amid a booming demand for GLP-1 medicines, with SA's market now valued at about R2.2bn annually.
Regulators warned that fake and unregistered products threaten public safety and pledged tougher enforcement against pharmacies and suppliers operating outside legal frameworks.

Aspen to launch first generic semaglutide

In January ***Business Day*** reported that Aspen Pharmacare plans to launch one of the world's first generic semaglutides in Canada.
This follows Novo Nordisk's loss of patent protection of the blockbuster GLP1 weightloss injection.
Regulatory approvals are expected in early 2026.
In May the SA Health Products Regulatory Authority (SAPHRA) approved Aspen Pharmacare's local manufacturing of the first human insulin batches.
The sterile insulin, manufactured in Gqeberha, Eastern Cape, may now be sold in SA and other African markets.

Over-the-counter brands under scrutiny

In April ***Business Day*** reported that the SA Health Products Regulatory Authority (SAHPRA) is facing pressure over plans to phase out oral over-the-counter (OTC) cold and flu products like *phenylephrine* due to doubts about its effectiveness.
The move follows scrutiny by the US Food and Drug Administration, which found the ingredient ineffective at standard doses.
Industry groups, including the Pharmaceutical Task Group, argue that combination medicines may work differently and need separate evaluation.
Pharmacy bodies support evidence-based regulation but want a gradual transition.

CLICK HERE TO ALSO READ

Weight-loss drugs could reshape consumer economy

President urged to intervene over access to *lenacapavir*

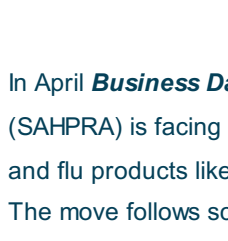
Increasing import of medicines puts jobs at risk

'Pharmaceutical procurement practices are weakening localisation efforts'

Include local producers in next tenders, demands Pharmisa

China overtakes the US in pharmaceutical research

GENERAL NEWS



Tool for fast screening of TB, cancer and Covid

News 24 reported on 19 January that a Cape Town scientist, Dr Jaymi Leigh January, and her team is developing a rapid, low-cost portable screening test that could transform the early detection of TB, cancer and Covid-19.
The highly sensitive electrochemical sensor can detect minute traces of disease markers at levels far below many existing tests. According to research the affordable device could be a lifesaver for clinics with limited resources; helping to reduce delayed diagnoses. The sensor was able to pick up concentrations as low as 0.04 picograms per millilitre – a level far below the detection limits of many existing diagnostic tools.

WhatsApp model provides solution to training

A WhatsApp-based microlearning model, *dolutegravir*, developed by Briony Chisholm, an information pharmacist formerly at UCT's Medicines Information Centre, is emerging as an effective solution to frontline training challenges in SA's HIV response. She developed short, 10 - 15 minute live WhatsApp lessons focused on one or two key clinical points, delivered repeatedly over time.The lessons were successfully piloted in 50 Eastern Cape clinics, proving to be effective, feasible and popular, with strong uptake and reported improvements in patient care. By the end of 2025 around 2,000 healthcare workers had been reached.

Bogus Doctors putting lives at risk

In February 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.
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.

Concerns about free AI chatbots

According to a study, published in the *British Medical Journal* (BMJ), almost half of the responses using free AI chatbots were found to be below acceptable standards; 20% were highly problematic; and 30% were somewhat problematic.
The research highlights concerns regarding the reliability of chatbots as they cannot make ethical or value-based judgments and often produce authoritative-sounding but flawed responses
A study published in *Radiology* warned that AI-generated "deepfake" radiographs are realistic enough to mislead clinicians and even AI detection tools.
Seventeen radiologists from 12 hospitals reviewed 264 X-rays, half of which were synthetic.
Without prior warning, only 41% correctly identified fake images. Accuracy rose to 75% after being told deepfakes were included.
In March ***Business Day*** reported that, according to Discovery Health Medical Scheme, AI-driven health prompts are helping clients detect serious illnesses, particularly cancer, earlier. In 2025 over 18,000 screenings were prompted, leading to 47 severe illness claims; including 32 early-stage cancer diagnoses.

Africa's first lymphatic bypass for Alzheimer's

In April a Pretoria-based surgeon, Dr Ben Moodie, performed Africa's first experimental *lymphovenous* bypass on a patient with advanced Alzheimer's disease, reporting early but unproven signs of improvement.
Conducted at Cintocare Hospital, the four-and-a-half-hour procedure aimed to enhance lymphatic drainage from the brain, based on emerging theories linking Alzheimer's to impaired waste clearance.
The patient, a 70-year-old man, showed improved alertness, communication and recognition of family shortly after surgery.
Despite these encouraging observations, Moodie stressed the procedure remains investigational, with formal assessments planned over the coming months.

NEWS FROM MEDICAL SCHEMES

Schemes under pressure as costs of claims rise

MEDICAL SCHEME INDUSTRY

According to an Alexander Forbes Health report, released in June, SA's medical scheme industry is under increasing financial strain as healthcare costs, claims utilisation and the burden of chronic disease continue to rise.
The analysis found that the overall risk claims ratio increased from 95.8% in 2023 to 96.2% in 2024, indicating that a growing share of contribution income is being spent on claims.

Restricted schemes were particularly affected, recording a claims ratio of 101.3%; meaning they paid out more in claims than they collected in contributions. The industry's operating deficit widened to R11.64bn in 2024 from R10.2bn the previous year; forcing many schemes to rely on investment income to remain financially viable. Although membership grew marginally to 9.04m beneficiaries, open schemes experienced declining membership, reflecting affordability challenges. An ageing membership base and fewer young entrants are further increasing claims costs, raising concerns about the long-term sustainability and affordability of medical scheme cover. - ***Business Day*** (4 June 2026)

Sizwe Hosmed in trouble

The Council for Medical Schemes (CMS) placed Sizwe Hosmed Medical Scheme, one of SA's largest open medical schemes, under curatorship after identifying a severe solvency crisis and alleged governance failures.
Court papers cited major financial irregularities, including duplicate claims payments that could exceed R522m and an estimated R162m shortfall in provisions for member claims linked to the 2021 merger.
Investigations found that the scheme's solvency ratio had fallen to about 7%; well below the statutory minimum of 25%. The Board of Trustees was dissolved and the curator removed.
The scheme's administrator, 3Sixty Health, rejected all allegations and accused the CMS of bias.

CMS requests GEMS to explain its financial situation

Due to increasing pressure from trade unions the Government Employees Medical Scheme (GEMS) lowered its contribution increase for members from 9.8% to 9.5% and eventually to 7.5%.
In June the CMS requested an explanation of how GEMS plans to manage its loss-making options Onyx and Emerald.
According to an actuarial report, submitted by GEMS to the CMS, the lower increase in tariffs would result in an annual loss of contribution income of about R1.5bn. This could lead to ongoing operating deficits and a solvency ratio of 23% by the end of 2026; below the statutory requirement of 25%.
In April ***The Citizen*** reported that GEMS paid out in a single year what some of SA's largest private insurers distributed over a quarter of a century. In the last financial cycle GEMS paid out R67bn in claims. However, it only collected R65bn in contributions; dipping into its savings to almost R10bn.

Bonitas, Medscheme feud continues

A legal dispute between Medscheme and Bonitas Medical Scheme has intensified scrutiny of four major tenders that shifted key operational functions at Bonitas. Problem areas include administration, managed care and marketing contracts awarded to Private Health Administrators (PHA), Agile Alternative Business Solutions and Momentum Health Solutions.
Medscheme alleges the procurement processes formed part of a broader governance pattern influenced by trustee Pierre Ribbens. The scheme claims that he had undisclosed business links to companies connected to successful bidders, creating potential conflicts of interest.
Bonitas denies the allegations and maintains its governance processes were sound.
Meanwhile, Bonitas's transition to new administrators on 1 June generated member complaints about authorisations, chronic medication and support services.

'Traumatising audits'

Physiotherapists say medical scheme forensic audits are leaving them 'fearful, stigmatised and traumatised' according to new research, published in the *SA Journal of Psysiotherapy* (19 March 2026).
"While audits are designed to identify billing irregularities, participants often experienced them as aggressive, unfair and punitive.

MPs push to end cover

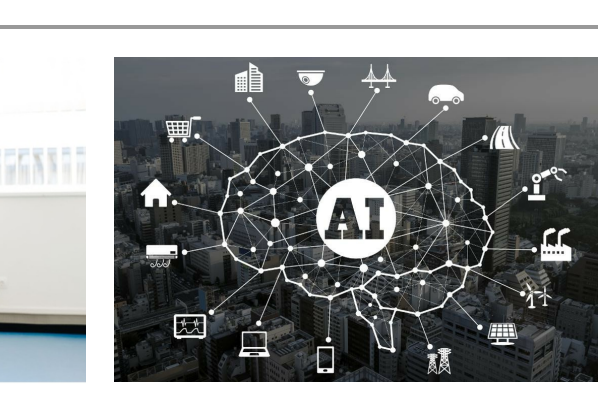
In March ***Business Day*** reported that the debate over perks for politicians has shifted to medical shemes.
Critics warned that making membership voluntary could destabilise the scheme by driving out healthier members; potentially undermining its sustainability and affecting long-term benefits."

Great news for members

In his February Budget, Finance Minister Enoch Godongwana announced an increased rebate in medical tax credits after three years of freezing the value of tax credits. The BHF warned that eliminating medical tax credits too soon could push between 430 00 and 690 000 scheme members out of cover.
Medical tax credits will increase from R364 to R376 for the first two members and from R246 to R254 for additional members.

Scheme faces collapse

In May the Democratic Alliance called for urgent intervention to prevent the collapse of the SA Military Health Service Regular Force Medical Continuation Fund.
The Fund supports healthcare for about 36 000 military veterans and pensioners, reported ***Medical Brief*** (6 May 2026).
Defence Minister Angie Motshekga confirmed the fund faces a monthly shortfall of R40m and has accumulated a R2.4bn deficit. The Fund has reportedly been disinvesting assets since 2023 to meet expenses.

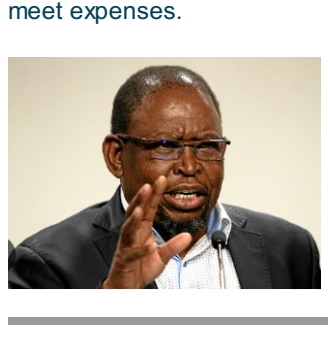


Physiotherapists loses bid to stop clawbacks

The SA Society of Physiotherapy lost its bid to have Section 59(3) of the Medical Schemes Act declared unconstitutional; ending a five-year legal dispute involving the Health Minister, Council for Medical Schemes and medical schemes.
The Pretoria High Court ruled that medical schemes may continue recovering money paid incorrectly or through fraud, theft, negligence or misconduct by withholding payments or benefits.
The case followed broader concerns over how schemes implement clawback powers.
The Health Funders Association and Board of Healthcare Funders welcomed the judgment, saying recoveries of about R1bn annually help protect medical scheme members' funds, while also acknowledging the need for greater transparency and consistency in applying the provisions.
- ***Business Day*** (19 June 2026)

Discovery implements AI for health guidance

Discovery Health Medical Scheme members, who have opted into an AI-driven health guidance programme, are significantly more likely to complete routine health checks and cancer screenings than members who have not enrolled, according to preliminary findings from Discovery Health. - *Business Day* (11 June 2026).
According to a recent survey 650,000 of Discovery's 2.1m members signed up for the "personal health pathways" programme since its launch in January 2025.
"Early findings suggest AI-powered prompts may play an increasingly important role in encouraging preventative care, improving treatment adherence and identifying health risks before they become more serious."



HEALTHMAN DIARY

4 - 8 July:
BHF Conference

6 July:
Med Chronical: CPD accredited webinar on Skin Barrier first

22 July:
RFS Webinar

23 - 26 July:
Coloscape - KZN

28 July:
Surgicom BoD

29 - 30 July:
SEMDSA Exco

4 August:
PsychMg Exco

6 - 8 August:
PsychMg Congress

13 - 15 August:
SAAFP Congress

17 August:
SARAA - Exco

19 August:
RFS Webinar

20 August:
FCPSA BoD
Roadshow North West

24 August:
SARAA - AGM

27 August:
CPF BoD
Instopp AGM

28 Auguat:
Young Surgeons Course
Surgicom BoD

29 - 30 August
Surgicom Congress

3 - 6 September:
USANA Conference 2026

17 September:
SASOP/PsychMg
Roadshow Durban

2 - 4 October:
ENT Conference – Lord Charles Hotel
Somerset Wes

21 October:
SASOP/PsychMg
Roadshow Gqeberha

22 October
SASOP/PsychMg
Roadshow East London

23 - 25 October:
PMG Congress - Irene Country Hotel

9 - 11 November:
Annual AGMHI Congress
Mombasa Kenya
Youth Mental Health in
Africa & Diaspora

CMS CIRCULARS

CMS Circulars
published in June 2026

Circular 17 of 2026:
Extension of Deadline for Comments on Revised Accreditation Standards

Circular 18 of 2026:
Authorisation of Medical Scheme Auditors

SPECIAL NOTES

Selling your practice?

HealthMan has been doing valuations of medical practices for sale for many years. We can do a full financial report on the value of your practice if you consider selling it to an interested buyer.
We will also provide you with a draft sales contract.
Contact us for valuation of your practice and assistance, even if you are not yet in the process of selling.
For more information contact:
Steve Roos at **steve@healthman.co.za** or
Casper Venter at **casperv@healthman.co.za**.

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