

Example: Describing the Private Health Sector (Namibia)

At-a-Glance: The Private Health Sector in Namibia

Primary health care clinics

The first level of care is delivered by trained nurses offering immunization, screening services (e.g., Pap smears, family planning, etc.). Client who present disease symptoms are referred to a private doctor or hospital, or public health facility.

Medical clinics

These clinics are operated by qualified individual physicians. The solo practitioners manage all conditions ordinarily managed in a general practice, with referral to higher levels as required. There are also several specialists, including those who specialize in HIV treatment, with consulting rooms. These private doctors use private hospitals for their patients.

Medical centers

Medical centers—or polyclinics—are group practices where diverse services are offered in one site. These group practices are owned by the practicing physicians or jointly with business partners. The practices are often medical facilities with the most modern outpatient services and amenities. Many of these facilities receive public service employees in addition to those with private health insurance.

Private hospitals

Private hospitals provide inpatient services, intensive-care units and surgical facilities for general practitioners and specialists. These hospitals are generally managed by nurses, with few or no full-time medical doctors. Most of the private hospitals are struggling, and would consider a contractual relationship with the Ministry of Health and Social Services or low-cost health insurers to increase occupancy. However, the private hospitals in the capital city Windhoek have enough high-end business driven by the presence of specialists (surgeons, diagnostics) to remain viable. In the rural areas, medical care is driven more by general practitioners, with less surgery. Moreover, there are fewer patients with good medical aid. Costs are high in rural areas, and it is harder for these small hospitals to achieve economies of scale.

Pharmacies

There are a growing number of pharmacies in Namibia, of which almost all are private. All private pharmacies are run and owned by a qualified pharmacist. These pharmacies are highly sophisticated, using IT and other forms of technology. Drug prices in the private sector are a barrier to access. Value-added tax on all drugs, even essentials, is 14%. The Namibia Association of Medical Aid Funds tariff is wholesale cost plus 50% (higher than in South Africa's 15% tariff). Even when using generics, the price is set at the average of the two lowest prices, plus a 50% markup. A few pharmacies sell below the normal NAMAFA tariff. There is no movement for reducing drug prices in the private sector—even for ARVs.

Industry

Depending on their size and capacity, several private companies provide health services to their employees and, in some cases, the communities where the business operates. Services vary, ranging from workplace programs on education and prevention, to nurse-managed primary care, to comprehensive health services including tertiary care.

Source: NAMBIA PSA, 2010