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Department:  
Health  
REPUBLIC OF SOUTH AFRICA

# Hospital Licensing

# ***Draft Private Health Establishment Policy***

- The current licensing process is the mandate of the Provincial Department of Health
- Each province has subsequently developed into own system and criteria for the licensing of private hospitals
- However, one of the issues raised at the Competition Commission's market inquiry into the private healthcare sector is that the licensing procedures of private health establishments is fragmented and that nationally processes need to be strengthened and coordinated

# ***Proposed Private Health Establishment Policy***

- National Department of Health convened meetings with Provincial Departments to develop a national policy
- Inputs from all provincial departments were incorporated into the draft document
- This process of developing a national policy had not been done previously.

# *Objective of the Policy*

The purpose of this policy is to provide a systematic and consistent approach in the management of the licensing process between the Department of Health and the private healthcare sector.

This policy provides guidelines for the licensing, inspecting and monitoring of the private health facilities

# ***Application of the Policy***

- This policy applies to all private health establishments.
- Private health establishment refers to any hospital, day ward and day clinics, focused health care establishments, non-acute care establishment which provides in-patient, or out-patient voluntary or involuntary services, including
  - medical, surgical, nursing, acute, sub-acute, step-down, convalescent, long-term, hospice, psychiatric, dementia, mental health, detoxification or rehabilitation care
- Excluding any hospitals, establishments or facilities, buildings, or agencies conducted by an organ of state

# Overview

- The proposed policy provide more details in terms of:
  - Required application information
  - Advisory committee
  - Consideration of the application
  - Head of Department’s decision on application
  - Renewal and amendment of licensing
  - Licensee reporting
  - Inspections and reporting by authorised officials
  - Removal from the register and cancellation of license
  - Sanctions and remedies
  - An appeals and complaints procedure

# ***Application***

The detailed application should include:

- A copy of the business case or feasibility study including the location and type of establishment
- A description of the intended size of the establishment in terms of the number of beds being applied for, the number of operating theatres, maternity facilities and the like.
- An estimation of the full-time and part-time staff requirements across medical, dental, specialist and all nursing categories, as well as intentions to run training programmes

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- What patient/client group the establishment aims to serve, the estimated total population to be served, the estimated private population to be served
- Population demographics
- An analysis of the distribution of other public and private facilities within the provincially defined catchment
- Calculation of the demand for services
- Description of the reimbursement methods to be used
- Motivation for why the application should be approved in terms of improving access to high quality healthcare

# *Reporting (1)*

The licensee should provide annual reports related to:

- the number of beds and the occupancy rate of licensed beds with reference to the sub-categories referred to in the license;
- the health outcomes of patients, including:
  - Number of new cases with notifiable diseases
  - Number of new cases of Hypertension, Diabetes and Hyperlipidaemia (NCDs)
  - Number of new cases of communicable diseases (HIV, TB)
  - Number of adverse events reported (mild, moderate, severe and extreme) by discipline, age and gender
  - Case fatality rates by discipline
  - Stillbirth rate
  - Caesarean Section Rate
  - Maternal mortality rate
  - Infant mortality rates
  - Under-5 mortality rates
  - Immunisation coverage for scheduled vaccinations (Measles, Flu, Rubella, Polio, Hep B, Pertussis etc)

# *Reporting (2)*

The licensee should provide annual reports related to:

- the human resource plan
- the demand and cost of services provided including:
  - Average Length of stay (total and breakdown by discipline)
  - Bed utilisation rates (total and breakdown by discipline)
  - Cost per bed per day (by discipline)
  - Number of scheme members admitted (by scheme and diagnosis)
  - Number of non-scheme members admitted
  - Number of re-admissions for the same condition within two weeks of discharge (by diagnosis)
  - Total in-patient days, day and outpatient days
  - Patient Day Equivalent
  - Cost per PDE
- an assessment of the quality of health care service provision which is in line with the requirements stipulated by the Office of Health Standards Compliance

**THANK YOU**