Economics and Health Policy in South Africa: Time for Alignment

Request for Proposals: Research questions and data guidance

Public health research has advanced critical methodological tools such as difference-in-difference analysis and highlighted the importance of socioeconomic and environmental determinants of health outcomes. Health economics, in turn, has emphasised the role of health in productivity and growth, the challenges posed by information asymmetries in health care markets, and the inefficiencies arising under both unfettered free markets and third-party payment systems. However, the ways in which these and other factors interact to influence health outcomes across and within generations — and, by extension, economic outcomes broadly defined — remain underexplored.

South Africa confronts a unique and urgent set of health system challenges, compounded by deep socio-economic inequalities. In response, Economic Research Southern Africa (ERSA) is launching a research initiative that focuses on the economics of health and health care in South Africa and strengthens health policy.

The project's goal is to produce robust, evidence-based research that can guide South African policymakers in developing a health system capable of supporting the country's broader development. Researchers are encouraged to propose work that focuses on (i) Health System Performance and Financing, (ii) Health Service Design, Costing and Implementation, (iii) Health Technology Assessment, (iv) Equity, Access, and Social Determinants, (v) Behavioural and Informational Economics in Health and (vi) Global and Context-Specific Comparative Health Economics.

The themes below reflect input from researchers, policymakers, and other relevant stakeholders, who offered valuable suggestions for potential research topics at a recent ERSA roundtable discussion:

1. Health System Performance and Financing

Objectives:

- Evaluate the efficiency and productivity of public and private health providers.
- Analyse the structure, impact and feasibility of current financing mechanisms, including NHI roll-out.
- Identify optimal incentive structures for providers and administrators.
- Estimate optimal resource allocation across levels of care, geographical regions, vertical programmes or sources of funding.
- Estimate the true cost of public healthcare services

Key Questions:

- What are the costs, cost drivers and efficiency levels across facilities?
- How does the current financing model affect equity, segmentation, and access?
- How can capitation and DRGs be operationalised effectively in public sector contexts?
- What are useful approaches to defining and costing benefit packages aligned with the NHI Act's "comprehensive care"?
- What is the impact of budgetary constraints and fiscal decision-making on the adoption and sustainability of health interventions?
- How do financial practices (unpaid accruals, medical legal claims) affect delivery, supply chain stability, and health system performance?

2. Health Service Design, Costing and Implementation

Objectives:

- Design UHC and supply-side investments to close access gaps.
- Evaluate the impact of health service design on costs and expenditure at facility, district, and system levels.

Key Questions:

- What are the impacts (cost-effectiveness, patient demand, operational effects, unintended consequences) of multi-month medication dispensing programs (e.g., 6-month ARV supply)?
- What are the costs associated with different supply designs to integrate HIV, TB, and NCD care?
- What are the costs and outcomes from digital health system failures (infrastructure failures, downtime, medication dispensing interruptions)?
- What is the impact of insufficient or fragmented digital health infrastructure on services and outcomes?

3. Health Technology Assessment

Objectives:

- Identify feasible HTA approaches for South Africa.
- Identify evidence-based processes for cost-effectiveness and technology inclusion/exclusion decisions.
- Assess the economic value of novel/practical health interventions.
- Assess the economic cost of poor health outcomes.

Key Questions:

- How can we better measure health outcomes and unmet health needs?
- What are the cost-effectiveness and trade-offs of various interventions?
- How can models like QALY/DALY be adapted for local contexts?
- What are suitable HTA methods for rapid, resource-constrained decision-making?
- What are the macroeconomic costs of poor health in South Africa?
- What are the household- or individual-level costs of poor health in South Africa?

4. Equity, Access, and Social Determinants

Objectives:

- Understand how socio-economic and environmental factors affect health outcomes.
- Identify causal links between health investments (public health interventions, sanitation, water) and long-term socioeconomic outcomes.
- Identify structural barriers to access and opportunities for redistribution.
- Explore long-run and intergenerational impacts of health inequality.

Key Questions:

- How do poverty, inequality, and crime mediate health outcomes?
- What role does housing, utilities, grants and the environment play in shaping child and maternal health?
- What is the long-term impact of early-life nutrition and social conditions on health and human capital?
- How can health systems address persistent geographic and social inequities?

5. Behavioural and Information Economics in Health

Objectives:

- Investigate behavioural barriers to health service use.
- Assess perceptions of public vs private care, and their effects on health-seeking.
- Design and test interventions to improve health and health-seeking behaviour.

Key Questions:

- Why do eligible individuals delay or forgo care?
- How do public perceptions affect engagement with health services?
- Can behavioural nudges improve early diagnosis and treatment adherence?
- How do trust and adherence affect health-seeking behaviour and uptake of new interventions (e.g., long-acting PrEP)?
- What are voter attitudes (understanding and preference) toward healthcare access and NHI?

6. Global and Context Specific Comparative Health Economics

Objectives:

- Localise international models of disease burden and economic evaluation.
- Draw lessons from comparable countries on health reform and innovation.

Key Questions:

- How well do global models fit the South African context?
- What methods have other countries used to fill data and delivery gaps?
- How can locally relevant evidence shape national health policy?

NOTE: WHILE THE ABOVE THEMES ARE PRIORITISED, ERSA WELCOMES BROADER RESEARCH QUESTIONS AND ENCOURAGES RESEARCHERS TO THINK BEYOND THESE BOUNDARIES.

High-level guidance on key data sources:

1. Public Health System Data

- **District Health Information System (DHIS)**: Routine facility-level indicator data. All applications require specifying indicators, **Approval processes** are required so expect significant delays and provincial variations.
- **District Health Barometer (DHB)**: 20 years of accessible data including DHIS data, HR, finance, health indicators at national, provincial, district, and sub-district levels. Annual reports and dashboards also available Access through Health Systems Trust.
- **Master Health Facility List**: Contains public health facility locations but requires cleaning. Data may not be current and private sector locations harder to track.
- **CCMDD (Central Chronic Medicine Dispensing and Distribution)**: Routine aggregated reports available by request (excludes Western Cape). Patient-level data requires National DoH approval.
- **OHSC (Office of Health Standards Compliance)**: The Office of Health Standards Compliance (OHSC) requires all researchers—internal or external—requesting OHSC information or datasets to obtain approval from the Office of the CEO, who is the designated Information Officer under the Promotion of Access to Information Act (Act 2 of 2000). Requests must be submitted to the OHSC Research Unit Ms Mantokeleng Matsaneng (mmatsaneng@ohsc.org.za), Acting Director: Health Systems, Data Analysis and Research, which forwards them to the CEO. Researchers must also sign the OHSC Research Data User's Agreement outlining conditions of use before access is granted.

  All OHSC-related research must follow internal processes, including scientific protocol review by the OHSC Scientific and Research Technical Task Team (SRTTT) and adherence to internal guidelines such as the OHSC Research Data Management, Security and Preservation SOP and the OHSC Ethical Misconduct in Research SOP.

  Researchers may request data from the following OHSC systems:

  - **Inspection Data Systems** – Inspections of public and private health establishments. Available datasets include National Core Standards (2013/14–2018/19) and Promulgated Norms and Standards (2019/20–present).
  - **Annual Returns (ARs) System** – Health establishments submit annual profiles (infrastructure, HR, services, satisfaction surveys, etc.) by 31 March. ARs for public hospitals are available from 2017 onward; for private hospitals from 2021 onward.
  - **Early Warning System (EWS)** – As mandated by the National Health Act (Act 61 of 2003), the OHSC monitors 11 indicators of risk and serious breaches of norms and standards. The surveillance system has been in place since March 2020.
  - **Complaints Management System** – Data accessible through the Office of the Ombud
- **NHLS**: Lab data requires permission/NHLS approvals.

2. Administrative & Financial Data

- **National Treasury Databases**: PERSAL (HR) and BAS (finance); complex, fragmented by province, essential for costing and workforce analyses

3. Research Cohorts & Panels

- **HE2RO Pregnancy Cohort Study:** Dataset linking maternal and infant health outcomes from a public healthcare facility in Johannesburg to viral load monitoring results in the national health laboratory services using specimen barcodes (2013-2018). Valuable for loss-to-follow-up and health outcomes research. Deidentified data available on request, dependent on approval of the research topic by principal investigators. Please contact lrossouw@heroza.org with subject line 'ERSA RFP: Use of Pregnancy Cohort data.
- **Agincourt/SAPRIN (SA Population Research Infrastructure Network)**: Longitudinal household and community-level data for causal and social determinants work. Hosted by South African Medical Research Council.
- **National Income Dynamics Study**: The National Income Dynamics Study (NIDS), is the first national panel study in South Africa. Available via DataFirst. Easy and user-friendly access to data.
- **COVID-19 Vaccine Survey**: The COVID-19 Vaccine Survey (CVACS) is a South African national panel study of individuals initially unvaccinated against COVID-19. Respondents are interviewed twice; in late 2021 and early 2022. Available via DataFirst.
- **National Income Dynamics Study-Coronavirus Rapid Mobile Survey**: Conducted during the pandemic period in South Africa in 2020-2021. Survey data provides reliable panel data on key measures of individual and household health and welfare. Available via DataFirst.

4. Other Resources:

- **Western Cape Provincial Health Data Centre (PHDC)**: Valuable data but harder to access, and institutional restrictions apply. Contact A Boulle at **andrew.boulle@westerncape.gov.za.**
- **The Health Foundation datasets**: Available but with access limitations.
- **THEMBISA Model**: Used for economic modelling (e.g., Lenacapavir rollout), incorporating costing and effectiveness projections
- **General Household Survey**: The General Household Survey (GHS) is an annual household survey conducted by South Africa's government statistics agency. The GHS collects data on education, health, and social development, housing, access to services and facilities, food security, and agriculture. Available via DataFirst.