

Competition in the health sector

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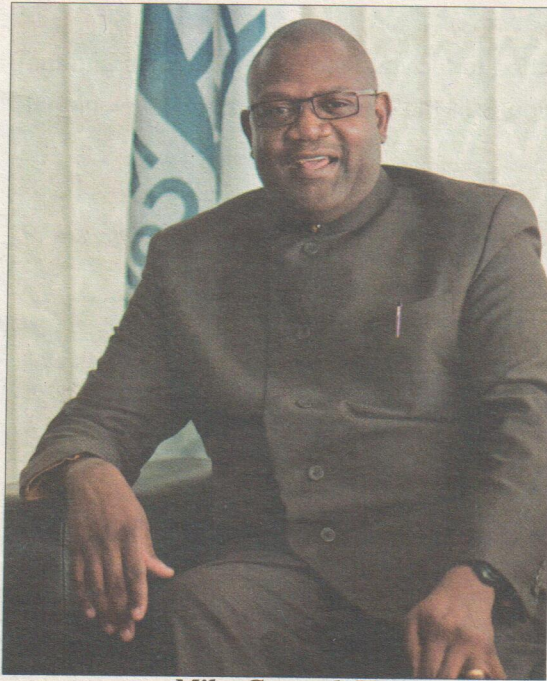
THE Namibian Competition Commission regulates most sectors in terms of competition within Namibia, including the health sector. Anecdotal evidence shows that Namibia's health sector comprises of a public and private sector. Recent statistics show that close to 6 percent of the Gross Domestic Product (GDP) in Namibia is spent on healthcare.

The government is cognizant of public health care being crucial in terms of its wider coverage, affordability and accessibility. Over 80 percent of the Namibian population relies on public health service provision and over 70 percent of healthcare spending is by public health service provision.

There are four public referral hospitals in the country – in Oshakati, Rundu and Katutura whereas the Windhoek Central Hospital serves as the national referral hospital.

There are outreach services in the form of clinics and mobile vans that reach a wider geographical distribution of Namibians in terms of public healthcare access. Namibia has a well organized private healthcare sector.

There private healthcare sector is primarily based on various medi-



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cal aid funds, medical administrators, medical service providers, private hospitals and private health professionals. The usual manner for any sector including the health sector is to operate on a competition basis through pricing, costing, structures and conduct that ensure a competitively efficient outcome providing cost sensitive and competitively priced medical service and/or medical products with high quality affordable and accessible health services.

The Commission has regard to the state of competition in any sector, such as the health sector in Namibia. The Commission has powers to investigate

the merit and validity of any pro- or anti-competitive conduct of the entire sector and the actions of any parties in that sector.

The Commission is cognizant that any sector in Namibia should work optimally achieving competitively efficient outcomes, which is not only desirable for the sector but also for its market participants, interested stakeholders, and the consumer.

The Commission is in the process of expanding its Act to ensure formal market enquiry provisions that would understand sectors better such as the health sector and to keep in check and streamline competition related

factors (such as pricing, costing, structure and conduct) that drive the sector for both the market participants, interested stakeholders and the consumer.

The Commission is guided by its Competition Law, 2003 and the rules governing the act of 2008 to investigate if needs be any sector objectively and according to the legal and economic provisions.

The Commission has regard to administrative justice and procedural fairness to ensure a platform for everyone to articulate their positions, views, concerns and positions about the functioning of any sector, including the health sector. Namibia requires all sectors to be competitively efficient, strong and dynamic that foster innovation, with improved quality of service with a fair and responsive pro-competition driven state.

The health sector offers such conducive conditions in Namibia but leave more room for improvement whose medical needs of its market participants, interested stakeholders and consumers should be at the heart of how that sector functions and operates as a fully competitively regulated sector.

• *Mihe Gaomab II is the Chief Executive Officer of the Namibian Competition Commission.*