

Namaf Strategic Review: 2021 – 2023

1. Introduction

The Namibia Association of Medical Aid Funds (Namaf) appointed WisePraxis (Pty) Ltd to facilitate the development of its strategy for the period 2021 – 2023 to ensure that the organisation keeps fulfilling its statutory mandate.

The scope of work was prescribed to include the following activities:

- The review of Namaf's current mission and vision
- The evaluation of the outcomes of the current strategy
- The review and update of Namaf's existing Business Model Canvas
- A proposed strategy translated into objectives and key results
- A stakeholder-based validation of a draft strategy proposal

This report contains the following elements:

- An overview of the methodology followed by the consultancy
- A discussion of stakeholder feedback
- Findings forthcoming from the stakeholder feedback
- A provisional set of strategic goals and objectives that the Secretariat have been working on.

It is further to be noted that the strategic revision is not yet complete. As facilitator I had to make a call on the speed of progress under the abnormal conditions of running a strategic process remotely in virtual space. The cycle of stakeholder engagement took longer than expected, but it delivered a good harvest of insights to inform and anchor the strategy review process with. Thereafter followed the processing of the feedback in three meetings with the Secretariat, during the last of which it was decided to split the feedback to MC in two parts, namely that which is contained in this report and a second part that will follow when the following work has also been completed (by latest mid-January 2021):

- The review of Namaf's mission and vision
- The completion of the strategic goals and objectives for the next strategic cycle
- The updating of the Business Model Canvas and Strategy Map

2. Methodology

According to Ungerer¹ "an effective strategy reflects a compelling reason for the existence of the organisation, explains strategic choices and differentiating positions that are difficult to imitate, gives clarity on activity system(s) for value creation, implements appropriate metrics to monitor progress, and makes stakeholder sensitivity a lived reality". This definition provides this revisioning project with a framework for the evaluation of the current strategy as well as for the framing of Namaf's strategic trajectory for the three years to come.

¹ Ungerer, M. 2018. A strategic architecture perspective to stimulate strategising in organisations. Stellenbosch University: Unpublished inaugural address.

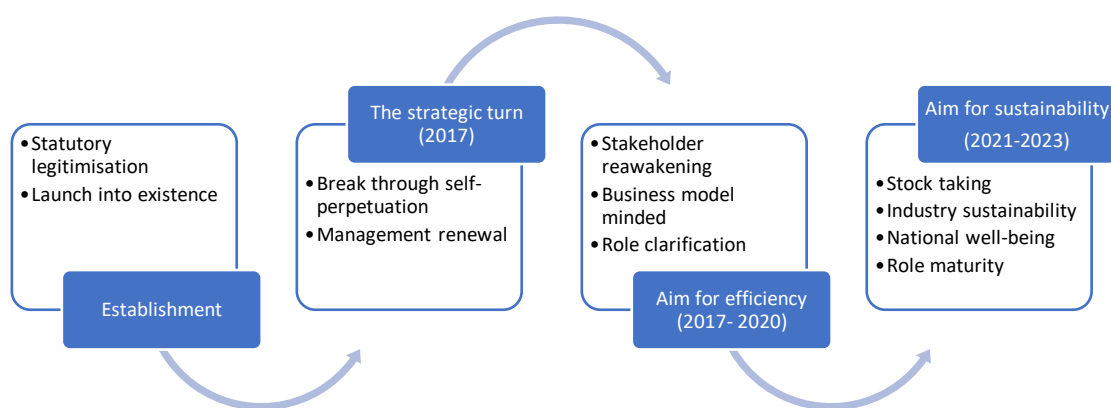
Although Namaf is a statutory body, and therefore per definition not operating in the normal competitive sphere of enterprise, it still has to account for its compelling reason for existence, the strategic choices it makes, the value proposition that it offers, and the measurement of progress. All of this can only happen in the lived reality of stakeholder holder ecosystem from which the organisation receives its legitimisation, for which it creates value, and to which it stands accountable.

In view of the above, the consultancy was based on a stakeholder inclusive approach and contained engagement with several stakeholders, ranging from the inner core of the organisation to its committee structures and further afield to the legitimisers of its existence and the beneficiaries of its services.

Due to the Covid-19 pandemic, all stakeholder interactions had to be technology-based and happened via online meetings and/or interviews and the completion of fit-for-purpose questionnaires. From an evaluation perspective questions were framed in terms of the following:

- Namaf’s existing mandate, mission and vision; its previous stakeholder survey, and SWOT analysis; the operational and strategic effectiveness of its committee structures; and its current Business Model Canvas, and Strategy Map.
- From a futures perspective, stakeholders were consulted on their estimate of emerging priorities and their views of what a fully successful Namaf may be able to achieve.
- From the MC and secretariat’s perspective, questions were posed about Namaf’s relevance, value proposition, progress and impact, failures and future strategic priorities.

All the feedback, received via the questionnaires and interviews, was analysed, thematised and translated for use in the strategic revisioning process. Based on what was forthcoming, it seems as if the Namaf story, in hindsight, at present and for the foreseeable future, can be summarised in four “chapters”, the one growing out of the other and evolving into the next (see diagramme below) as the organisation’s purpose and impact dynamically unfolds from one stage to the next.



There is therefore reason to believe that this feedback may support Namaf in paving the way for the next wave of its development and positive national reputation and impact.

3. Overview of stakeholder feedback

3.1 Introduction

Fit-for-purpose questionnaires were designed for the Management Committee and Secretariat, each of the sub-committees and forums and for general stakeholders. All questionnaires contained a section on Namaf's mandate, mission, and vision and inquired about respondents' views on strategic priorities for the future. Over and above the beforementioned, each stakeholder group received a set of questions in relation to its specific bond with Namaf, being it either as participants in Namaf's core operations, as beneficiaries of Namaf's value proposition, or as partners in Namaf's mission fulfilment.

A total for 40 questionnaires were received for analysis and feedback. Not all feedback was of an acceptable standard of completeness and depth, but altogether it was sufficiently coherent to inform the strategy revision process. While the composite feedback from the stakeholder questionnaires is contained in Addendum A, there are several relevant observations from the feedback, that demand the attention of Namaf's MC and Secretariat for the forthcoming strategic term. It is furthermore to be noted that these observations are based on the feedback of both internal and external stakeholders.

3.2 Findings and observations

At a high level, the stakeholder feedback can be summarised in terms of 1) praise for **progress** been made; 2) **concerns** being raised from the lived experience, perspectives and perceptions (whether right or wrong, justified or unjustified) of stakeholders; 3) emerging **priorities** being identified, from stakeholders' perspectives for strategic attention; and 4) the envisioning of what **success** might look like for Namaf as well as the whole Namibian healthcare ecosystem.

In reading this feedback, it is important to realise that it has been received upon Namaf's own invitation as well as from the stakeholders in its immediate ambit of influence. As facilitator of the process I also have to note that those stakeholders who responded, did so with a sincere appreciation for the opportunity to make such a contribution, even if the tone of some of the feedback may be perceived to be harsh or coming from a position of ignorance.

3.2.1 Progress made during the strategic period 2017 - 2020

In the feedback, Namaf has been praised for its coding system and information relevant to its use, the addition of ICD10 coding, the requirement for South African doctors to have practice numbers to work in Namibia, and the work that has been done around the establishment of benchmark tariffs. The reimbursement model NAMAF has created is cited as a basis for credibility amongst stakeholders. There, furthermore, seems appreciation for NAMAF as a cost regulator and its provision of beneficial and unbiased guidance when needed. In addition, Namaf is praised for the establishment of well-defined structures; its approval of committee recommendations; effective service delivery and transparency; indispensability as a regulator; and an industry leader with integrity.

The strategic question in this feedback can be phrased as follows: What **enabled** us (Namaf) to elicit this response, how can we continue to **maintain** it, and how can we **connect** it to other dimensions of our work so that we might be able to **multiply** success for ourselves and for the well-being of the system that we care about?

3.2.2 Remaining concerns from the strategic period

Three types of concerns have been raised, the first of which focused on Namaf as an institution, the second which speaks to conditions in the healthcare industry, and the third related to the regulatory environment.

When reading these summaries it is important to keep in mind that some remarks might be forthcoming from real experiences of disappointment, some from misguided expectations for what Namaf should care about and attend to whether it falls within its ambit or not, and some of which simply expresses a deeper desire of stakeholders to belong to and participate in a healthy and resilient national healthcare ecosystem with a positive outlook on long term sustainability being held together by a spirit of trust and mutual collaboration among all role players.

- Concerns regarding Namaf's as institution
 - Contrary to the praises of some (raised in the previous section), other stakeholders regard Namaf as a hurdle to the optimal functioning of the private healthcare sector, experience Namaf as authoritarian and protective, perceive the organisation to care rather for funds than about service providers and beneficiaries, complain about insufficient urgency when it comes to matters affecting the industry, and perceive the organisation as not sufficiently transparent in communication with stakeholders. There is furthermore the perception that NAMAf relies too much on third parties in decision making instead of involving expertise available from its immediate stakeholder context. Some respondents regard the value added by NAMAf to be mainly administrative and not sufficiently innovative, nor creating an environment conducive of a sustainable healthcare industry. Some reckon that NAMAf does little to ensure medical aids do not recommend products that are not of benefit to the client, nor do they take actions against medical aids who behave unethically.
- Concerns regarding the healthcare industry
 - Via the feedback, stakeholders raised genuine concern about the future affordability of healthcare and the sustainability of the industry. They experience as complex and competitive due to three major stakeholders – medical aid funds, members, and service providers – who all want the best for themselves. They regard healthcare providers operating in silos and are slow with buying into a more collaborative approach and holistic view of what the industry optimally can be. There is, furthermore, a view among several stakeholders that the fee-for-service model should be re-examined and that the reimbursement model of pharmacies is not sustainable. Healthcare professionals feel not sufficiently consulted, or engaged with, when determining coding systems or benefits. Psychologists, furthermore, request revision of the auxiliary status of their services, especially in view of the evidence-based health benefits of their services.
- Concerns regarding the regulatory environment:
 - According to the feedback from several stakeholders, the current regulations are seen to be a hurdle in achieving industry success. The current framework does not support NAMAf in the execution of its mandate, nor is the confusion, whether real or perceived, between Namaf and Namfisa's roles helpful. Stakeholders seek clarity on Namaf's identity as a regulator vs a member representative organisation.

The strategic question in this feedback can be phrased as follows: How might Namaf, within the ambit of its statutory purpose as regulator, **best respond** to the concerns of stakeholders in a way that creates an **abundance of public value** for the health and well-being of the Namibian society?

3.2.3 Emerging priorities for strategic attention

Stakeholders have been asked to share their views on what they regard as important priorities that Namaf should attend to over the next three years. Several points have been raised of which many originated not so much from the future strategic landscape, but more from immediate operational needs of stakeholders, depending on what they do, what they need and what they may be concerned about. However, what might at times appear to be a plethora of scattered wishes, can be summarised and integrated into five priority themes.

- To clarify the statutory position of Namaf by attending to its statutory identity and positioning within the national legislative and industry governance household.
- To safeguard the sustainability of private healthcare by attending to matters of policy as well as matters of practice with reference to products, services, and reimbursement models.
- To deal effectively with fraud, waste, and abuse by attending to the root causes thereof and instilling preventative mitigating actions.
- To increase stakeholder participation and ownership in matters of mutual concern and industry improvement.
- To maintain research, development, and training to ensure that the Namibian healthcare system is locally effective and internationally benchmarked.

The strategic question in this feedback can be phrased as follows: How might these “from the field” priorities be incorporated into and contribute to the **scope and stretch** of Namaf’s own strategic priorities for **maximising the full potential** of its mandate, mission and vision as regulator of the Namibian private healthcare industry?

3.2.4 How success over the next strategic term might look like

Lastly, all stakeholders have been asked to project their ideals onto a canvas of the future and express their ideas of what success might look like. One could regard this envisioning as unconstrained and even going beyond that which Namaf was created for. Most contributions, nevertheless, come across as infused with hope, as expressions of stretching for a bigger ideal, as commitments to collaboration, and as statements of belief that the ecosystem possesses of the capabilities needed for optimal performance and success.

Once again there are three themes that can be identified, namely ideals in relation to Namaf, in relation to the industry and in relation to stakeholders.

- In relation to Namaf:
 - The expressions and metaphors used in relation to Namaf are to be noted: undisputed representative of the medical aid fund industry; recognised as the protector and facilitator of private healthcare; an organisation that binds all medical aids together; an advocate for health reform policies; a transformer of Namibian healthcare; a guardian protecting the interests of medical aid members; the trusted organisation to develop and promote the sustainable environment within which the private healthcare industry can expand; and a respected household name in healthcare
- In relation to the industry
 - Ideals for the industry were expressed such as of medical aid funds that adhere to good corporate governance and market conduct; benchmark tariffs and a model for

determining annual medical inflation is established; a user-friendly and fair coding system tailored to the context; reduced inflation on healthcare costs; well-controlled pricing of healthcare providers; clinical governance guidelines that promote and control the conduct of the service providers; increased stakeholder engagement that will make the system more sustainable; innovative practices to safeguard the industry against over-regulation; better control of the clinical aspects of the industry; promotion of sustainable healthcare for members; the unification of medical aid funds to ensure sustainable solutions to make healthcare more affordable; democratised access to affordable medical aid funds; a system geared for efficiency, sustainability and innovation with an increase in membership of medical aid funds.

- In relation to stakeholders
 - Regarding stakeholders, ideals evolved around a clear understanding of NAMAf’s role; improved communication between stakeholders; improved understanding by the community of the funding industry; stakeholders are engaged and participate in further development; good relationships between the medical aid funds and the healthcare workers to ensure a sustainable system; collaboration with Funds to achieve maximum value for members of Funds; private healthcare workers will feel more included in the NAMAf decision-making process.

The strategic question in this feedback can be phrased as follows: How might Namaf, in the execution of its mandate, mission and vision, best connect with the **expectations and trust** of its stakeholders and generate **collective movement** in the interest of a **healthy and sustainable** healthcare ecosystem for **national well-being**?

4. Strategic priorities for 2021-2023

Having engaged thoroughly with the stakeholder feedback, and making use of its experience of the industry and its own intimate knowledge of its task, the Secretariat formulated a *provisional* set of goals and objectives that serves as a first submission to the MC. These goals and objectives will stay open for amendment until such time that the integration thereof with the Business Model Canvas and Strategy Map is completed.

Strategic theme	Goals (the end result to aim for)	Objectives (the actions towards goal achievement)
Legislative and governance reform	To legitimise Namaf as the regulator that provides clear leadership and direction in the governance of the healthcare industry	<ol style="list-style-type: none"> 1. To establish a government authorised project charter for the revision of the Namaf Bill. 2. To lead the stakeholder consultation process for the drafting of the revised Namaf Bill . 3. ... (more to follow)
The sustainability of the healthcare industry	To lead the healthcare industry in Namibia in the creation of a blueprint for a sustainable future.	<ol style="list-style-type: none"> 1. To promote the acceptance and application of the WAF charter with stakeholders 2. To ensure currency and relevance of coding structures to assist with the effective

		<p>management and adjudication of claims, clinical risk management</p> <ol style="list-style-type: none"> 3. To obtain high-quality data to provide the industry with relevant and comprehensive reports 4. To reduce healthcare inflation by identifying and managing the critical cost drivers in healthcare. 5. To regulate the correct application and use of the procedural coding structures, billing rules and guidelines 6. To engage the healthcare industry in the creation of a joint social investment project. 7. Risk management... (to be completed) 8. Innovation... (to be completed)
Stakeholder participation and ownership	To be at the forefront of a collaborative healthcare system, sharing knowledge and taking action to achieve real benefits with and for stakeholders.	<ol style="list-style-type: none"> 1. To align our stakeholder engagement strategy with our total organisational strategy. 2. To know and share expectations through relationship building 3. To collaborate with and include stakeholders in initiatives of mutual concern and importance 4. To build partnerships with key stakeholders
Research, development and learning	<p>To be the catalyst of relevant research, development and learning in the industry.</p> <p>To build capabilities across the company and industry , on time and in a cost effective manner.</p> <p>(To be completed still)</p>	<ol style="list-style-type: none"> 1. Coding training / learning platform 2. In-house staff development 3. Research and development 4. Healthcare financing policies 5. IT systems 6. Collaborative research and training with the academic sector <p>(To be translated into objective statements still)</p>
Namaf's values	Provisionally formulated: To execute our mandate in view of values that apply to ourself, and are shared with the partners, customers and beneficiaries of our work.	To be discussed and completed.

5. Strategic architecture update and integration

Comment: Once the selection and formulation of the strategic priorities (see Section 4 above) is completed, the integration with Namaf's BMC and Strategy Map will be done.

6. Strategic recommendations

To follow the completion of the whole project, but attending to, among other things

- The execution of the revised strategy
- The optimisation of Namaf's strategic capacity and operational efficiency

7. Conclusion

To be completed at the end of the project.

Addenda

- Addendum A: Stakeholder feedback: provided as a separate document
- Addendum B: A summary of macro trends with strategic implications for healthcare: to be provided as a separate document (not available as yet)