

HEALTH ADJUSTED BUDGET VOTE STATEMENT BY  
THE MINISTER OF HEALTH,  
HON. DR ZWELINI MKHIZE  
23 JULY 2020

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**Madam Speaker,  
Honourable Members,  
Honourable Chairperson of the Portfolio Committee,  
Members of the Provincial Executive Councils,  
Members of Boards of Health Entities and Statutory Councils,  
Members of Academic and Research Bodies,  
Public Service Managers and Officials,  
Ladies and Gentlemen**

We present the Department of Health's Adjusted Budget Vote and Policy Statement at a time that is unprecedented in the history of modern society.

Last year in September, the world convened at the 73<sup>rd</sup> session of the United Nations General Assembly to commit to the ideals of achieving Universal Health Coverage by 2030 through the High-Level Meeting on Universal Health Coverage

At the time, no one could have predicted that barely four months later, the COVID-19 pandemic would literally bring the world to a standstill, shake our health care systems at the very foundation and demand the acceleration of health care reforms.

Before this pandemic descended on our shores, we were building a road towards Universal Health Coverage through our democratic process of deliberating the National Health Insurance Bill.

In his State of the Nation Address earlier this year, His Excellency, President Cyril Ramaphosa reiterated the purpose of NHI by stating that a “fundamental condition for growth and development is a healthy and productive population, with access to quality and affordable health care”. We continue to put great effort to improving health service delivery and prepare for NHI to achieve universal health coverage.

## **NHI INFORMATION SYSTEMS**

Madam Speaker, Covid-19 has illustrated just how important data and information are in managing health decisions. We are pleased that during the past few months the NHI information systems capacity has been augmented, strengthened, and dramatically improved. The investments made in these improvements will all remain and enhance the capability of the department to manage the health system into the future. We have established a patient registry through the deployment of the Health Patient Registration System in our PHC facilities and Hospitals. To date, a total of 51 909 554 patients have been registered.

In addition, we have also developed a Health Systems dashboard which will very soon go live. This system will support government with early warning signs in surveilling hospital infrastructure, alerting us to impending critical

mass reach in various areas of our operations, and giving us an opportunity to respond before there is a crisis on the ground.

## **NHI INFRASTRUCTURE DELIVERY**

One of the NDP Implementation goals is to build health infrastructure for effective service delivery. The department has developed a 10-year national health infrastructure plan to improve health facility planning to ensure construction of appropriate health facilities on a sustainable basis. Healthcare infrastructure will focus on the provision of new hospitals, CHC's, clinics and maintenance, upgrading of established facilities that needs to be expedited to improve citizen's access to more advance healthcare facilities.

The Department has also prepared a proposal for resolving health infrastructure backlogs on preparation for NHI. This proposal will also play a significant role in job creation and stimulating economic growth and transformation of the construction sector. We believe that this health infrastructure programme will improve public confidence in the public health care system, improve the morale of personnel and better staff retention because of a safer clinical environment. We have now started engaging key stakeholders including the National treasury and the Development Bank of South Africa to develop strategies to accelerate this programme. Prior to COVID-19 extensive consultations were already underway even with the private sector, potential investors and provinces. The health infrastructure commitment remains. And COVID-19 has taught us that time waits for no man. If we are to achieve our infrastructure goals, we need to do so and move with speed.

Currently, a total of 20 hospitals and 34 Primary Health Care Facilities were revitalised, 7 Primary Health Care facilities constructed, and 39 facilities refurbished. The COVID-19 pandemic has also called for specific focus on the provision of additional ICU and High Care space, isolation wards and fever clinics with triage at existing hospitals. Provision of beds in emergency wards has also been prioritized. This applies either in existing facilities to be repurposed, or in field hospitals being prepared across the country for the surge in COVID-19 patients that will require hospitalisation. Oxygen systems and the equipment to support them have been procured. Linen and ward furniture have been upgraded.

This improvement in infrastructure will remain as improvements to the capacity of the health system post-Covid-19.

## **EPIDEMIOLOGY**

As the globe, we have now tipped the 15 million mark of COVID-19 confirmed cases. As a country, we also know that by the end of this week, we would have reached the 400 000 mark of cumulative confirmed cases. This is based on the average daily cases that we have been recording. We have publicly stated that the storm is upon us. This is evidenced by the surge in different provinces, namely, the Western Cape, Eastern Cape, Gauteng. KwaZulu-Natal appears to be following the same trend and we are now watching the Province closely.

The re-opening of the economy which led to the movement of people in the country has with no doubt contributed to the rise in numbers. However, we

are mindful that government had to grapple between protecting our citizen's lives or their livelihood. It has not at all proven to be an easy exercise with various sectors having their own expectations informed by the challenges they face. But we want to assure every South African that inconvenient and uncomfortable as things may be, our intention is to do what is in the best interest of our people.

## **HUMAN RESOURCES**

The COVID-19 pandemic has indeed placed an unprecedented demand on healthcare service delivery in our country. The recruitment of doctors, nurses and other key health professionals remains a priority during this period for the department and is under way in all the provinces.

We are pleased that between the period January to July 2020 a total of 2,547 Medical Interns and 8,624 Community Service Personnel were allocated to Statutory Posts. It is further expected that a total of 3,050 Medical interns and 7,389 Community service personnel will be allocated in January 2021.

In the previous financial year, the National Treasury allocated funds through the HR capacitation grant for a total of **9,165** posts for all health categories were filled. These posts were filled as part of the process to lift the moratorium on filling vacancies and to alleviate shortfalls of health professionals in the health sector despite financial constraints in Government

The following is a breakdown of the posts:

- Statutory and Critical posts of **5,517**
- Medical Interns **2,015**

- Community Service **3,502** (included are **1,146** Doctors, **284** Nurses and **2,072** other health professions).

The total number of permanent posts filled is **3,648** (being **738** Doctors, **862** Nurses, **1182** other health related professions and **866** administrative related posts)

We can never over emphasise that health workers are the backbone of our fight against this pandemic. It is therefore in our interest not only to recruit them but to take sufficient measures to ensure that they are protected in the performance of their duties. From as early as March 2020, national treasury made an allocation to provincial health departments for the procurement of PPE. This effort was further augmented by the generous donations from various South Africans, corporates and civil society, also through the Solidarity Fund and we have also received donations from other governments across the world. This, we are grateful for. It has indeed shown the true spirit of compatriotism.

## **NDOH TARGETS AND PEROMANCE INFORMATION**

Madam Speaker, over the past couple of months, we have been hard at work on our 2020/ 2021 adjustments - scrutinizing every line item and reprioritizing for a rapidly changing environment. In this regard the 2020/21 Annual Performance Plan that we tabled earlier has been adjusted to consider the likely impact of COVID-19 on the health system.

We are also mindful that while we focus on this fight against COVID-19, we have a responsibility to ensure the gains made with our HIV, TB and other programs are sustained regardless of the COVID-19 pandemic.

It therefore gives me pleasure to table the new baseline budget for 2020/2021, based on adjustments, at 58.4 billion (58 429 523 000) rand, with a total allocation of 5.5 billion (5 544 375 000) rand earmarked for COVID-19. The reprioritisation focal areas include our most urgent and pressing needs in the midst of a surge in COVID-19 cases.

## **UPDATE ON COVID-19 RESEARCH AND RELATED ACTIVITIES IN SOUTH AFRICA.**

The Covid-19 pandemic has motivated all of South Africa's health institutions to rethink, re-organise and reshape their priorities and agendas. In this context many of South Africa's leading research institutions and senior researchers have forged new national and global research collaborations aimed at urgently answering critical clinical and public health questions.

Surveillance studies for Covid-19 were established early in the lockdown to monitor trends in Covid-19 infections among health care workers and pregnant women. New surveillance studies are being planned to investigate trends in infection in households, communities, outbreaks, and in various workplaces such as the mining industry. Other studies in development aim to evaluate improved diagnostic tests for the detection of recent and past infections. In parallel, SAHPRA and the NHLS have developed a novel strategy to evaluate the quality of serology and molecular tests both of which

are critical for the country's management and understanding of the evolving outbreak.

There are many clinical trials in planning and in progress that aim to identify new technologies for the prevention of Covid-19 infection. These include vaccine studies, pre-exposure prophylaxis studies, and studies aimed at evaluating new therapies for both early treatment and for later treatment of hospitalized patients.

Other studies underway include the establishment of a pregnancy register to evaluate potential harm to pregnant women and/or their babies caused by Covid-19 infection, and a number of qualitative studies exploring the socio-psychological impacts of Covid-19 infection, and of the pandemic more generally on the social and mental well-being of South African citizens.

## **PUBLIC ENTITIES AND STATUTORY COUNCILS**

The Health Department's entities and statutory councils continue play a vital role in supporting health services and improving the health of South Africans.

### **NHLS & NICD:**

The NICD received an additional grant of R96,7 million (R96 726 000) and Provinces were allocated R2,1 billion (R2 104 674 000) as part of the R3,4 billion conditional grant to pay NHLS for expanded COVID-19 testing services.

In response to COVID-19, the NICD has played an important role including providing epidemiological support to provinces, developing and review of



national guidelines, expanding the DATCOV hospital surveillance system to monitor mortality and morbidity in all hospitals and conducting new laboratory-based investigations including sero-epidemiology, viral tracking and viral culture.

#### SAMRC:

The South African Medical Research Council (SAMRC) plays a role through research, innovation, development and technology transfer. The scope of the SAMRC's research includes laboratory investigations, clinical research, and public health studies. The SAMRC also publishes the Report on Weekly Deaths in South Africa.

In the context of the COVID-19 pandemic, the SAMRC has conducted a study on excess deaths during this period. Their findings reveal that there may be additional deaths which are unaccounted for based on the modelling which they have done. Various possible explanations are given for this phenomenon such as people dying from COVID-19 before they get to the health care facility, or people dying from COVID-19 but the death not being reported as such and or people dying from non COVID-19 conditions because the health services have been re-orientated to COVID-19.

It has also been acknowledged that there is uncertainty about the exact number of excess deaths in these circumstances. However, in comparison to other countries, as at 18 July 2020, South Africa recorded 1,4% of deaths which is comparable to countries like India at 2,5 and Russia at 1,5 but significantly lower than countries like the UK at 15,4%, Spain at 10,9% and the US at 3,88. We will continue to analyse this trend.

We have urged all provinces to report deaths as guided by the WHO protocols so that they can be recorded and reported as soon as the information becomes available, to avoid the backlog as we have seen in the Eastern Cape. This may create a confusing and concerning perception that there is underreporting of COVID-19 deaths. We will continue to monitor all provinces to ensure that the reporting of COVID-19 related deaths is timeously done.

#### SAHPRA:

South African Health Products Regulatory Authority (SAHPRA) continues to play a pivotal role in the licensing and regulating medicines and medical devices. We are pleased that SAHPRA has developed a detailed strategy to clear the inherited backlog which is on track.

We are aware that the COVID-19 pandemic has caused SAHPRA to have to prioritise applications relating to COVID-19 such as laboratory test kits, sanitisers, ventilators and clinical trials.

The Department recognizes that certain cannabis containing products have proven medicinal indication. In addition to that, the development of the cannabis industry has a potential to be beneficial for the country's economic growth, including empowering small farmers. SAHPRA has also been involved in the development of the national framework for the growing, manufacturing and use of cannabis. We have recently also rescheduled cannabis containing products which now separates hemp and low THC

containing products from those with high levels of THC and products required for medicinal purposes.

## **HIV / AIDS TARGETS**

We are pleased that in the 2019/2020 financial year, we did see some districts in the country achieve the 90-90-90 targets (know their status, receiving ARV, and have viral suppression). These were announced in December and they are Ugu, Umzinyathi and Umkhanyakude districts. As at the end of March 2020, all three districts have maintained this status, and an additional district, Harry Gwala has also reached this milestone.

In December 2019 we launched a fixed dose combination ARV drug called Tenofovir + Lamivudine and Dolutegravir (TLD). This cost effect ARV drug is well tolerated with fewer side effects and it also suppresses the viral load rapidly. Patients are now able to pick up prepacked medication closer to their homes or workplaces as part of Centralised Chronic Medicines Dispensing and Distribution (CCMDD). We are pleased that as at May 2020 the number of patients using CCMDD is two million four hundred and fourteen thousand five hundred and twenty three (2 414 253). We cannot forget to acknowledge the continued support by the US Government through PEPFAR and the Global Fund, who have been our partners for more than a decade in the fight against HIV and TB.

We intend to embark on public a campaign to curb the spread of HIV/AIDS and TB, even during these challenging circumstances of battling with COVID-19 in the country. We therefore call on South Africans, in particular men and young people to get tested – knowing your status is good for you

and your loved ones! If you test positive go on treatment immediately – that will save your life.

## **CLEAN GOVERNANCE**

Madam Speaker, as we continue to fight this pandemic it remain our responsibility to ensure that corruption is not tolerated at all levels. We have seen reports of companies and individuals who have taken advantage of this difficult and desperate period to either unreasonably inflate prices or not provide quality goods to government. I am pleased that some provinces have already taken action in this regard. We will continue to closely monitor this and encourage all citizens to report unlawful actions in the procurement processes.

## **CONCLUSION**

Madam Speaker, I would be in serious remiss if I do not take this opportunity to address South Africans about the responsibility that we all must carry as soldiers in the war against COVID-19.

There is no conscription for this war- only consciousness. Every man, every woman, every child must be alive to the realities of COVID-19. We must understand that we are a product of our choices. We have made some tough decisions that brought us some success. The choices we make in the coming weeks will be even more important – as we learn to work, socialise and live alongside each other again, but in a way that keeps the virus under control.

For us to meet each other indoors again, for more businesses to reopen, for all our children to return to school on a full-time basis – is on all of us acting

for the common good. It depends on everyone obeying the essential public health protocols and having the patience to stick with a careful but steady path as we re-open the economy.

We must focus on changing our behaviour, and ultimately, we will overcome.

I thank You