

BUDGET VOTE 2022/23 SPEECH BY MINISTER OF HEALTH, DR JOE PHAAHLA, MP

Tuesday, 10 May 2022

Hon Speaker/ Chair of the sitting

My Colleague, Deputy Minister Dr. Dhlomo

Chair of the Portfolio Committee for Health and Members of the Committee

Hon Members of the National Assembly

MEC's of Health who have joined the sitting

Leaders of various entities reporting to department and Health Stakeholders

Ladies and gentlemen

We thank the speaker for this opportunity to present the Budget vote of the Department of Health for the 2022/23 financial year.

Hon chair we present this budget vote at a time of lots of hope and optimism after a devastating two years of the Covid-19 pandemic. As a country we have witnessed four waves of Covid-19 and we are now in a speculation as to whether we are already in the 5th wave, or it is still coming. Indications at this are that we are not yet in the 5th wave but as the cold weather takes hold and we spend more times indoors the risk of the 5th wave continues to loom large.

Over the four waves we have lost loved ones, family and friends, work colleagues, national leaders and icons from various aspect of life including National, Religions, Traditional and Business leaders. Even to the houses of parliament have not been spared.

We thank the leadership provided by the government of South Africa under President Ramaphosa for not only guiding the nation throughout these turbulent times but for mobilizing all of society behind the mitigation interventions. I wish to restate again the measures that government took utilizing the Disaster Management Act were meant to protect the people of South Africa against the harshest impact of Covid-19.

All of us will remember the images we saw of the devastation the various parts of the world in various continents such as Europe; US and Brazil etc. We are grateful that while our country has also suffered a lot including the loss of more than hundred thousand lives, devastation to the economy with massive job losses, our health services while it struggled especially under first three waves, never collapsed under the pressure.

We thank leaders of all sectors of society for working together with government. We wish to assure all South Africans, that as government we get no joy in inconveniencing you from time to time with restrictions. We say sorry where we have wronged you but please be assured that all interventions were meant and are still meant for all of us to avoid severe impact of Covid-19.

We completely disagree with armchair critics who argue that we should drop all public health measures and just let the virus spread at will and only worry about whether hospitals are full or not.

While the pandemic has derailed some of our programmes as we had to redirect all resources, we have also had positive experiences and lessons during this period. We have learned to work as government from local to national, and bring in skills and expertise from our entities.

We have learnt on how to work together with private sector, from securing of commodities such as PPEs, diagnostics, therapeutics and even more securing and administering vaccines. We have learned how to work with our scientists to guide our intervention, not always easy because scientists themselves do not always agree as is the case in other aspects of life.

From where we were last year this time, we have made lots of progress with our vaccination programme. As of yesterday, we have administered 35, 182 million vaccine doses to just over 19,717 million adult individuals which is 49, 5% of all adults. Whilst it is the time that over 70% of the population have had contact with the viruses, and therefore we have some natural immunity, the truth is this immunity wares with time and it cannot be boosted. So, while the virus is amongst us, the best defence is vaccination. We have been allocated R2 billion for vaccines in 2022/23 financial year.

I wish to take this opportunity to express our gratitude to our gallant health workers who have been and still remain the frontline warriors against the Covid-19 pandemic, just as they have done so against HIV and Aids, TB and

Non-Communicable Diseases. They have risked their own health and their families' health, and many have paid with their own lives. We paid tribute to them and their families, and may the souls of these compatriots who lost their lives to this pandemic including health workers rest in eternal peace.

Honourable Chairperson

In this financial year our major focus will be on the recovery of our comprehensive health services. We have already agreed with all MECs that going forward the key is to integrate the mitigation against Covid-19 into our comprehensive basket of services from Primary Health Care (PHC) levels upwards including the vaccination program which must increasingly be part of our comprehensive services.

We want to refocus on improving the quality of services as guided by various policy documents especially the NDP and the Presidential Health Summit of 2018, and the Health Compact signed in 2019 by various stakeholders. We again call on everyone above the age of 12 who has not yet vaccinated to go to the nearest station and get jabbed.

Our budget allocation for this financial year 2022/23 is a total of R64,5 billion, of which 86% or just around R55 billion would be transferred to provinces as Conditional grants to support various activities such as the HIV and Aids, TB and STT programmes, support for human resources including medical interns and Community Services Doctors, and also significant allocation for infrastructure support.

We are, however, concerned that in the medium term the Health Budget will be going down by 1,7% each year before even factoring in inflation, which cannot be good for health services in the country.

Honourable Chairperson

As a government of the ANC, we are committed to the attainment of the Universal Health Coverage for all South Africans. We urge all members of Parliament to support the NHI Bill, which is in front of the Health Portfolio Committee as an instrument for Universal Health Coverage. In the meantime we are laying the foundation for a strong public health system, which will underpin an integrated health service for the country.

The Covid-19 has facilitated closer cooperation with private health sector, from sharing hospital beds availability to common platform for reporting on Covid-19 tests and a common recording system for vaccination, the EVDS which is wholly owned by the National Department of Health.

Within this budget allocations made under NHI are essentially meant for strengthening the public health delivery platform such as targeted infrastructure upgrades across the country, contracting private PHC doctors, acquiring of oncology services and also adding more capacity for mental health services.

We also have a ring-fenced amount to prepare for implementation of the NHI such as the benefits design and pricing, provider accreditation, management of health products procurement, further development of the digital information systems and developing risk management and anti-corruption systems.

A lot of progress has been made with Health Patient Registration system, which has now registered more than 57 million South Africans in 3 111 health facilities. Further work has been done towards the establishment of the single, portable patient record system with interoperable digital system.

Improvement of quality of service at public health facilities will be a major focus in this financial year. Already 21 quality learning centres have been established in the country with 102 hospitals, including private ones, 90 PHCs and 25 EMS participating in the program. Good quality health infrastructure, including its maintenance is key towards achieving good quality public health service.

The NDOH works with Provincial Health departments and their Infrastructure departments to deliver on this. In this financial year, an amount of R1,5 billion will be managed by the NDOH to support various infrastructure projects in NHI pilot districts with contracts already issued for Siloam Hospital in Limpopo and the Zithulele and Bambisanani District Hospitals both in the OR Tambo District, in the Eastern Cape.

The contracts for the multi-billion-rand Limpopo Academic Hospital is also expected to be issued this year. In the past financial year 51 clinics and Community Health Centres were constructed or revitalized, and 21 hospitals were revitalized. In terms of backlog maintenance, 50 projects are currently under construction.

Honourable Chairperson

In the current financial year, provinces will share R6, 8 billion in direct conditional grants managed by them under the Health Facilities Revitalisation grants to construct, revitalize, maintain hospitals, clinics and other facilities. Staffing of health facilities is the key to the improvement of quality service.

The Presidential Stimulus Package, which was announced by the President in 2020 for Covid-19 was continued in 2021/22, and this enabled provinces to employ over 73 000 additional staff, many of them on short-term contracts.

All provinces have experienced challenges in the current financial year as the allocated amounts for Covid-19 have been reduced due reduced burden. Additionally, 2 429 medical interns, community service personnel, amongst them doctors, nurses and pharmacists were employed. We are grateful for an additional R2,1 billion over the next two financial years allocated for medical interns.

Progress has been made with regards to the stability in the employment of more than 47 000 Community Health Workers (CHWs), even though more work still needs to be done to finalise the nature of their long-term engagement. Going forward, we need to make sure the implementation of

the 2030 Human Resource for Health Strategy. We regard this cadre of CHWs as very essential to the sustainability of PHC, focusing on health promotion, prevention, adherence to treatment for HIV and Aids, TB and NCDs. A total amount of R5,4 billion is allocated in this financial year to support various aspects of Health Professions training in provinces, including additional personnel where necessary.

Honourable Chairperson

We have made a lot of progress over the last 13 years in our fight against HIV and Aids. The Tembisa model estimates that 8 million were HIV positive in 2021 with prevalence of 13,4%. As on June 2021 the number of people on ART was 5.4 million, meaning that there is a gap of over 2 million who are projected to be HIV positive but not on treatment. Our major concern is continued spread amongst young people, especially young girls. Our policy is currently to provide treatment for everyone who tests positive to achieve viral suppression and reduce transmission.

A key strategy is to provide widespread testing especially index testing of contacts, starts on treatment and maintain the treatment. We make this available at all points of care where the testing is done, including at mobile clinics.

Our target is to scale-up treatment by another 700 000 this year to above 6 million people. Our treatment coverage of those who know their status has slipped to only 76% since the Covid-19 pandemic. Because of the pandemic we have missed on 90/90/90 target for 20230 and hope to catch up this year and reach 95/95/95 by 2025.

An amount of R24 billion has been allocated this financial year to fight the AIDS epidemic. We thank a member of partners key amongst them PEPFAR and the Global Fund who are making a huge contribution to our fight against HIV and TB.

TB remains a leading cause of death in South Africa and in terms of infectious diseases it's slowly second to Covid-19. The Covid-19 pandemic has caused a setback in screening, testing and treatments with success rate of treatment falling from 80% to 76% in September 2021. Working under SANAC, a recovery plan has been agreed by all stakeholders.

Honourable Chairperson

The sexual and reproductive Health Services were not spared by Covid-19 disruptions, we saw reduced screening for CA of the cervix, we also saw reduced uptake of family planning services. What did not reduce significantly is Antenatal care before 20 weeks remaining at 68.8% in 2021. The National Department of Health will be introducing HPV testing for cervix in three provinces, Eastern Cape, Gauteng and KZN. Also will work with partners to introduce self-sampling for CA cervix for vulnerable groups such as sex workers and women with HIV.

Covid-19 has led to deterioration in maternal mortality ratio having come down from a high of 145/100 000 before 2020, and came down to 88/100 000 but now in March 2022 was at 120/100 000, which is a setback. Recovery plan includes mentorship of newly qualified clinicians and midwives and maternity care packages for frontline staff.

Despite Covid-19 there are promising trends in terms of infant mortality in 2020 which if it is maintained will lead to infant mortality of less than 20/1000 live births and under mortality of less than 25/1000 live births by 2024. While immunization did not suffer at the light of Covid-19 lockdowns, they have recovered sufficiently late in 2021 to again at 83,6% with 82,2% receiving two doses of measles vaccine compared to 80,2% in 2019 and 77,3% in 2020.

These figures show success in catch-up of child immunization campaign. We will remain focused on management of preventable diseases such as pneumonia, diarrhoea and HIV. Access of sexual and reproductive health services for adolescents will also remain a priority.

Honourable Chairperson

Medico-Legal claims are a drain on vital and scarce resources to save lives, we need to put a stop on this before they collapse the health services. The key intervention includes improved clinical management and record keeping. We also need to deal with unscrupulous legal firms.

We aim to reduce the liability by 80% by 2024. We have introduced a transversal system shared by participating provinces which provides:

- I. Case Management systems
- II. Forensic investigation

And the overall improved management. Some legal firms have been referred to the SIU.

Honourable Chairperson and Honourable Members

Because our health facilities function under a lot of pressure on a daily basis we tend to miss the excellent work that have been done under trying circumstances. One such reminder is the accomplishment by the stroke unit at Steve Biko academic hospital which was awarded the Diamond Stroke award during the 8th International European Stroke Congress was held a few days ago on 05 May 2022.

This is the first and only international accredited stroke unit in South Africa. We congratulate the hospital and the unit for this accolade.

Honourable Members

The last two years have been difficult and challenging as we battled, the Covid-19 pandemic here in South Africa, but together with the rest of the world. It has taught the world that no one is safe until all of us are safe and that international and national solidarity is the answer to defeating the pandemic.

We appreciate the leadership of our President, President Ramaphosa in mobilizing the African continent to act together and mobilizing leaders of the developed world to share in the tools to fight the pandemic such as diagnostics, therapeutics and vaccines. Both at the AU and African CDC and the WHO levels the move now is to make sure that we are prepared to end this pandemic and ready for future ones.

Our responsibility as the health department is to restore all services and build a resilient health system to the NHI. Let me take this opportunity to thank our national team, the Deputy Minister, DG and management and staff for their hardwork. I thank all MEC's and their teams, all our entities and civil society and private sector for their united solidarity.

While the pandemic is still with us we believe there is a light at the end of the tunnel. Let us not be tempted to lower our guard at the last mile. Let us continue to save lives, protect our health work force by being responsible but above all encourage more South Africans to vaccinate so that we can open all facilities of life fully but safely.

I Thank You

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