



DEPARTMENT OF HEALTH
**BUDGET
AND
POLICY SPEECH
2014/15**



Honourable Speaker and Deputy Speaker;
Honourable Premier;
Honourable MECs;
Honourable Members;
Traditional Leaders;
Ministers of Religion;
Stakeholders of the Health Sector;
Distinguished Guests;
Departmental Officials;
Ladies and Gentlemen;

Good Afternoon,

It is a very humbling opportunity to stand before this distinguished house today to deliver the Department of Health's 2014/15 Budget and Policy Speech after the incredible national and provincial elections. Honourable Speaker, I must hasten to say that as we start the work of this 5th term of government we do it sober minded and knowing exactly the value of the mandate that South Africans have given to the ruling party. I therefore wish to state without any fear or trembling Honourable Speaker that "United in action we will move the Eastern Cape Province forward".

Honourable Speaker, last month the country commemorated the eventful Youth Day-16 June of 1976. Every year when we commemorate the events of that unforgettable day we are always confronted by a glaring reminder and realisation that the struggle of our young people has now changed immensely, issues of health and HIV/AIDS in particular, are some of the struggles which give the youth of this generation sleepless nights.

Honourable Speaker, since the dawn of democracy in South Africa the policies of the ruling party continue to reflect its understanding of the people's needs. This is evident in the manner in which government policies are crafted to give priority and address the socio-economic challenges faced by ordinary South Africans.

Honourable Speaker, health remains one of government priorities even during this fifth term of government and the Provincial Government in taking Health as a priority has allocated the second biggest allocation (R17.5 billion in 2014/15) of its total budget to the Health. This on its own Honourable Members is a demonstration and emphasis of the importance of this department.

Honourable Speaker, our policy speech has been aligned to the need to apply an accelerated approach to the provision of a health service to the communities of this province and in this policy speech we have highlighted the areas which we intend to focus on.

During this term of government, the department will apply this fast-tracked approach to ensure that the citizens of our province receive an effective and efficient health service within our health institutions. This approach is in line with President Jacob Zuma's pronouncement of no tolerance to non-performance in government. Honourable Speaker, the same sentiments were shared by the Honourable Premier during the State of the Province Address.

1. NATIONAL HEALTH INSURANCE (NHI)

The ANC in its election manifesto has defined the NHI as a flagship programme which will be rolled out beyond the pilot phase in the next five years. The department is fortunate to have been selected as a beneficiary of this pilot project and hosts it in the province's biggest rural district. We are equally humbled to be part of the vehicle which seeks to significantly transform the health profile of South Africa by 2030.

Honourable Speaker, it is worth noting that the launch of the pilot project in OR Tambo continues to yield positive health results for communities of this district. Early successes and achievements have been noted in the school health services. Nurses have been deployed to schools in all sub-districts to conduct school health services through the Integrated School Health Programme (ISHP). Honourable Members, although there have not been enough teams identified for placement to all districts, there is a notable difference where services are being rendered.

To further enhance the effects and impact of the pilot project in the district, the department will commence the building of the St Elizabeth core block, complete Mvezo & Bumbane Clinics and the Ngcwanguba EMS Base this financial year. Honourable Speaker, while doing all the commendable work of the NHI pilot project in OR Tambo we are mindful of the need for continuous stakeholder engagement to acquaint them of plans and development of the project. During this financial year Honourable Speaker, we will therefore further pursue stakeholder engagements sessions on the NHI implementation.

2. RE-ENGINEERING THE PRIMARY HEALTH CARE SYSTEM (RPHC)

The department is implementing the revitalisation of PHC services in line with the national policy directive. Strides are being made through the Community Health Care Workers (CHCWs) programme and Ward-Based Outreach Teams (WBOTs) have been identified for each sub-district within OR Tambo. Out of 143 wards in the district, 25 have functional ward-based outreach teams. In total, 197 CHCWs have undergone ten and five day theory and practical training courses respectively. These PHC teams have been established with the aim of providing community-based services through visiting households and provide basic PHC services, including screening for chronic conditions where possible and to also identify treatment defaulters.

We will also intensify our health promotion activities by educating communities about strategies to prevent chronic diseases; the need to comply with treatment and establishment of support groups.

3. PHARMACEUTICAL SERVICES

Honourable Speaker, during the last financial year provincial pharmaceutical depots fared extremely well in consistently delivering according to expectations concerning tracer drugs. This positive performance can be attributed to a combination of efforts which include consciously and proactively keeping communication channels alive with demanders; active and consistent tracking of orders and pro-active substitution of pack sizes on demand to ensure that tracer drug basket items are always available.

We however acknowledge that there are still major challenges which inhibit efforts of ensuring availability of essential medicines; surgical supplies and vaccines. This is primarily attributed to systemic and capacity deficiencies in the system. However, these challenges are progressively being addressed, beginning with the filling of critical posts.

Honourable Speaker, in addressing the challenges of skills shortage in this field I am pleased to inform this House that 255 Pharmacist Assistants are being trained by the department in a collaborative effort with NGOs and the Health and Welfare Sector Education and Training Authority (HWSETA). In 2014 only, 115 Pharmacist Assistants will be completing their studies and a further 143 are expected to complete their training in 2015.

During this financial year we will ensure that there is an uninterrupted supply of medicines to our facilities by increasing the number of facilities receiving pharmaceuticals directly from the medical depots. Honourable Speaker, this is to ensure that we minimize the incidents of drug stock-outs in health facilities. A new Essential Drug List for the province has now been completed and this will assist in standardising drug treatment of patients in the primary health care environment.

4. HIV & AIDS, STI AND TB CONTROL (HAST)

Honourable Speaker, the burden of disease caused by communicable diseases in the province requires us to intensify our efforts of increasing the life expectancy of our people to ensure that they live long and healthier lives. Over the past 4 years, the department has substantially increased its capacity to provide ARV programs to all patients in need of this service, including pregnant mothers and TB patients. The department will increase its intervention processes to ensure that during the 2014 MTEF period it records more significant successes in these areas.

HAST is one of our notable efforts used by the department to deal with the burden of communicable disease. Honourable Speaker, through this programme the department aims to reinforce its strategy in controlling the spread of HIV infection; reduce and manage the impact of the disease to those infected; control the spread of TB; manage individuals infected with the disease and reduce the impact of the disease in the communities. With the use of combined efforts to fight the burden of HIV/AIDS, the department aims to reduce the incidence of HIV in the 15-49 years old by 50% in 2019.

Medical male circumcision: The department aims to promote the medical male circumcision programme as alternative means to reduce the number of new HIV/AIDS infections. Honourable Speaker, on this same issue of circumcision I wish to indicate that as the Department of Health we are fully aware that we are not the custodians of the traditional rite of circumcision, however we will make all the necessary interventions to save lives of young men who end up in our facilities while undergoing this custom.

The department will continue to work together with the Eastern Cape House of Traditional Leaders; Eastern Cape Aids Council; NGOs like Community Development Foundation for South Africa (CODEFSA) to provide a supportive role in preventing injuries and deaths through the custom whilst also promote the well-being of initiates.

During this current circumcision season we will increase the response levels to incidences of complications and botched circumcisions, including dedicating special wards in key health facilities. Two rescue centres will be opened in Lusikisiki and Nyandeni areas to ease the load from hospitals. The department, working with other stakeholders has provided 37 vehicles dedicated to monitoring activities in initiation schools throughout the province. Honourable Speaker, 17 of these vehicles have been attached to two hot spots of the province, 12 in OR Tambo and 5 in Alfred Nzo. The department has facilitated a series of workshops for monitoring teams, traditional surgeons and nurses.

Honourable Speaker, during this financial year we have also committed a budget of R20 million for contracting of General Practitioners for this purpose. A further R20 million has been allocated towards supportive programmes like medical supplies; training and transport.

Tuberculosis (TB): Honourable Speaker, as the department we can never accept any death through TB when a lot of government resources are continuously committed to curing the disease. We aim to make use of our PHC teams in dealing with the challenge of TB in our communities and ensure that they are instrumental in community-based services and households visits. These services include screening for chronic conditions and to also identify treatment defaulters with the intention of immediately putting them back on treatment. We are committed to reducing TB deaths by 50% in 2019.

Construction of a 64 bedded mechanically ventilated unit intended for MDR-TB patients has been completed in Nkqubela TB hospital. Honourable Speaker, we have employed Health and Safety Officers in all the 11 TB hospitals of the province. This will assist to promote close monitoring of employees and ensure that pre-medical and periodic medical screening is done, especially to nurses and doctors exposed to patients.

In line with the Decentralisation and the Deinstitutionalisation policy framework that encourages MDR-TB patients to be managed in the community, the number of TB beds will be reduced and eventually result to low bed occupancy. The department will only admit patients who are seriously ill in hospitals and allow patients to be managed in their communities with outreach teams doing follow up on their progress.

In addressing the emerging burden of non-communicable diseases, the Department of Rural Development and Agrarian Reform (DRDAR) and the Department of Sports, Recreation, Arts and Culture (DSRAC) are collaborating in health promotion and are tackling healthy life style issues.

5. STRENGTHENING EMERGENCY MEDICAL SERVICES (EMS)

Honourable Speaker and Members, it is not a hidden secret that the people of the Eastern Cape are crying about disservice by department where it concerns EMS.

To mitigate our challenges in this regard we have highlighted areas of priority for implementation during the next three years as follows:

- We will improve our call taking and dispatching ability in call centres by rolling out a Computerized Call-taking and Dispatching system (CRM) in Alfred Nzo and the Chris Hani EMS bases.
- Improve data capturing and reporting on DHIS by continuously developing staff in the field of information management, followed by monthly quality checks on the authenticity of data collected. Dedicated staff will be employed to perform these functions.
- Finalize the organogram for all Call Centres in order to have dedicated staff employed within the EMS Control-rooms.
- All ambulances to be fitted with a satellite tracking system which will be linked to the Call Centre.
- Fill vacant operational and management posts in order to increase the efficiency of the component.
- Accelerate EMS staff training to improve the skill mix and quality of service offered to the community at large.

Honourable Speaker, during this financial year the department will provide a total of 167 new ambulances to increase the response rate of our emergency services, of the 167 ambulances 110 will be distributed within the province and contract 3 helicopters within the next three months so that people of the province experience a better emergency service.

During this financial year Honourable Speaker, the department will make sure that all critical vacancies within the EMS are filled to safeguard a quality service to our people. These include Director EMS; District Management and 534 Advanced Life Support Practitioners. All these vacancies will be filled by end of the second quarter of 2014/15. Honourable Speaker, we will also prioritise training of EMS practitioners thereby instilling professionalism, attitude change and values of Batho Pele.

6. MATERNAL AND CHILD HEALTH CARE SERVICES

Honourable Speaker as I stand before you today to present the Policy and Budget Speech of the Department, I am pleased to report that the Department has taken some tremendous strides to ensure that the high number of deaths of children at birth and under the age of five years is curbed.

This also applies to our efforts to reduce the death of mothers while giving birth. Honourable Speaker, I am pleased to report that our interventions have not been in vain; and that we will continue to take this fight head-on to safeguard women from dying while giving birth and also that no woman loses a child at birth.

7. IMPROVED HEALTH INFRASTRUCTURE DELIVERY

Honourable Speaker, I am pleased to report to this House that the department will focus on eradicating its extensive health infrastructure backlogs during this financial year. The Infrastructure Delivery Management System (IDMS) will be implemented to ensure effective and efficient planning and delivery of infrastructure in the health sector. The Infrastructure Procurement Project will also be implemented in the current financial year to enhance procurement and improve expenditure and the delivery of infrastructure facilities in the sector. The National Department of Health is currently developing a Project Management Information System (PMIS) which is designed to enable the department to manage the infrastructure implementation programme in a more effective and efficient manner.

The department will over the 2014 MTEF period invest R1,7 billion in OR Tambo NHI district to build 17 new clinics; rehabilitate 3 hospitals and 40 clinics respectively; build 3 new hospitals; 1 community centre and a psychiatric unit. A total of R172 million has been set aside for general repairs and maintenance of 154 health facilities.

The department has taken a slightly different approach in the provisioning of infrastructure to our communities. Focus has now shifted from building of new facilities to concentrating on maintaining the existing facilities instead. Renovations and repairs for our primary health care facilities are receiving priority. Visible efforts of this new plan are witnessed through general maintenance work in hospitals like Cala, Elliot, Cloete Joubert, Tafalofefe, Nelson Mandela Academic, Komani and Fort Beaufort.

Regarding project implementation, 53 young unemployed people have been placed at 2 construction sites (namely, at Frere and Cecilia Makiwane hospitals). This placement is purely for learning purposes. This programme will be implemented in other projects in various parts of the province.

Nursing colleges' satellite campuses are now part of the provincial infrastructure portfolio. In the current financial year, extensive building repair works, including the provision of learning structures, is being undertaken in 5 satellite campuses institutions. These are Andre Vosloo, Port Elizabeth, East London, All Saints Hospital and Queenstown. The department is currently installing 52 temporary nurses accommodation structures in various facilities in the province. Of these, 33 are two-bedroom units and 19 are single-bedroom units.

Although we faced major labour challenges in two mega projects at Cecilia Makiwane and St Patrick's hospitals, we are still on track to complete these two projects within the 2014/15 period. On completion, both projects would have cost the department a combined amount of R1.4 billion. Honourable Speaker through these projects about 1,600 work opportunities have been created at Cecilia Makiwane and 356 in St Patrick's respectively.

A contractor has been appointed and already on site at the Frontier Hospital for the upgrade of the Casualty/OPD and Paediatrics Units. This project is estimated to cost the department R281 million over the MTEF.

8. QUALITY IMPROVEMENT

Honourable Speaker, during this financial year the department will put its focus on improving compliance with the National Core Standards for health in our facilities. Honourable Speaker, I would like to commend my predecessor, Honourable Gqobana for the good work he has done during his tenure in the department. Together with the top management of the department, the former MEC initiated the Rapid Response Team (RRT) vehicle with the aim of applying a faster approach in solving challenges faced by our people when visiting our facilities. Honourable Speaker, the department is moving forward and operating at a rapid response mode for the benefit of our communities.

Honourable Speaker, I am pleased to report that on 24 & 25 June this year we held an RRT outreach in Chris Hani, visiting facilities in the area with the aim of making a rapid improvement in the identified areas and we are confident to say that our strategy is working.

Honourable Speaker, during this financial year the department will give attention to the worst performing institutions and ensure that these facilities no longer operate on the business as usual attitude which is to the detriment of our communities. The RRT will intervene in these institutions and enforce the 6 National Core Standards; look at issues of productivity, service levels; quality of service and improved data management.

9. HUMAN RESOURCES FOR HEALTH

The department is in the final stages of completing the revision of its organogram so that it meets the standardized profile of the National Department of Health (DoH) directive. The department will continue selecting deserving bursars from the communities of the Eastern Cape and provide them with an opportunity to pursue studies in the medical field with the aim of getting them to serve back their communities on completion of their studies.

Honourable Speaker, it is sad to report to that on 31st May 2014 we laid to rest a young man from Cofimvaba; Wandisile Dlali who was a beneficiary of the department's South Africa/Cuba Medical Scholarship programme. Wandisile was already back in South Africa to complete his medical qualification at the time of his passing. As the department we are truly saddened by his passing as he was one of the young doctors that we had hoped would add value in adding a meaningful change to our province. May his soul rest in peace.

10. STRENGTHENING SUPPLY CHAIN MANAGEMENT

Honourable Speaker, I would like to commend Provincial Planning and Treasury for making an intervention in the department to ensure that we improve on the department's procurement system. The department has given priority to the implementation of the SCM Reform project championed by the Treasury. The project is aimed at providing priorities and proposals aligned to action plans to deliver a rapid improvement in the department's procurement system.

2014/15 BUDGET AND PROGRAMME ALLOCATIONS

Honourable Speaker, I now present the budget allocations that will enable the achievement of the above priorities in 2014/15. Department of Health has been allocated Seventeen billion, five hundred and nine million rand (R17.509 billion) and the break down per programme is as follows:

- **Programme 1: Administration** - Six hundred and twenty seven million, six hundred and fifty eight thousand rands (R627.658 million);
- **Programme 2: District Health Services Resources** - Eight billion, six hundred and seventy four million rands (R8.674 billion);
- **Programme 3: Emergency Medical Services** - Seven hundred and ninety eight million, four hundred and thirty five thousand rands (R798.435 million);
- **Programme 4: Provincial Hospital Services** - Four billion, five hundred and thirty million rands (R4.530 billion);
- **Programme 5: Central Hospital Services** - Seven hundred and eighty six million and seven thousand rands (R786.007 million);
- **Programme 6: Health Sciences and Training** - Seven hundred and seventy million, three hundred and eighty four thousand rands (R770.384 million);
- **Programme 7: Health Care Support Services** - One hundred and fourteen million, one hundred and sixty one thousand rands (R114.161 million); and
- **Programme 8: Health Facilities Management** - One billion, two hundred and seven million rands (R1.207 billion).

In terms of economic classification, the budget allocation is as follows:

- **Current Payments** - Sixteen billion, and eighty seven million rands (R16.087 billion)
Of which:
- **Compensation of Employees** - Eleven billion, six hundred and eight million rands (R11.608 billion);
- **Goods and Services** - Four billion, four hundred and seventy eight million rands (R4.478 billion);
- **Transfers and Subsidies** - Two hundred and twenty nine million, eight hundred and thirty six thousand rands (R229.836 million) and
- **Payments for Capital Assets** - One billion, one hundred and ninety two million rands (R1.192 billion).

CONCLUSION

In conclusion Honourable Speaker, I would like to indicate that the department will make every effort to ensure that the province receives improved service delivery outcomes in the health sector. As the department we pledge to honour our obligation to the people of the Eastern Cape and promote a better life for all through providing a quality health service to our people.

Honourable Speaker, we will continue to pursue the fight against corruption in the department and we will not allow any corrupt & fraudulent practises or non-performance to deter our department's efforts to improve our audit outcomes. Programme managers have been cautioned of our attitude towards achieving an unqualified audit opinion and are ready to hit the ground running.

I also wish to thank the SG; his Executive Management Team; departmental stakeholders ; the District Managers; CEO's and the entire staff for playing a significant role in the provision of health services to our communities and in the transformation of the health profile of our province.

Honourable Speaker, I would like to close by sharing the words of a socialist revolutionary and Cuban leader Fidel Castro and say "... if there is some activity at which we should aspire to perfection, to the maximum, that activity is Public Health...

... if there is a work from where all revolutionaries have obligations which are sacred, that is the health front. If there is one front where moral obligation is very high & where a revolutionary human sensitivity is tested, that front is health..."

I thank you.



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