Province of the
EASTERN CAPE
HEALTH

BUDGET & POLICY SPEECH

2021/2022

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EASTERN CAPE DEPARTMENT OF HEALTH
BUDGET & POLICY SPEECH

FOR THE

2021/22 FINANCIAL YEAR

TO THE

EASTERN CAPE PROVINCIAL LEGISLATURE

AT

BHISHO

ON THE

25 MARCH 2021

BY

HON. N. METH

THEME

"The year to strengthen collaborations and partnerships in the era of Covid-19 to protect, promote and improve health in honour of mama Charlotte Maxeke."

Hon. Speaker and Deputy Speaker

Hon. Premier Mabuyane

Members of the Executive Council

Hon. Members of the Eastern Cape Legislature

The Chairperson of the Portfolio Committee on Health

Our Kings and traditional leaders at large

Director-General & Heads of Departments and Entities

Distinguished guests

Molweni Mawethu!

Madam Speaker, I present the Department of Health's policy speech in this august house at a time when we are still toiling under the scourge of the Coronavirus pandemic which has invaded the global community including our beloved Province of the Legends. The Coronavirus pandemic has shaken the foundations of the world's governments, disrupted social lives and put economies and societies to a standstill. This pandemic has caused calamities that have induced distress and suffering to humankind. Our strength and resilience as the people has been tested to the limit. Our collective commitment to change the people`s lives was realized through a coordinated government, business and societies' response to the pandemic.

HISTORY AND PROGRESS OF COVID-19

Madam Speaker, the province recorded its first case of the Coronavirus on the 21st March 2020 at Xhora magisterial area of Amathole district. Almost a year later, the disease has infected more than 194 886 people in the province as of the 21st March 2021. Thankfully 183 308, of the cases have recovered, translating to a 94.1% recovery rate. Madam Speaker, sadly, 11 340 of our people succumbed to this deadly virus which translates to a case fatality rate of 5.8%. The majority of those who have demised are males.

Honourable Speaker, through the Provincial Coronavirus Command Council (PCCC) led by Hon. Premier, our department recorded commendable progress in stemming the tide of the virus. Internally, an Incident Management Team (IMT) was established to coordinate and monitor implementation of Coronavirus interventions. Epidemiology and surveillance continues to form the cornerstone of our interventions wherein daily up-to-date statistical data is prepared to inform decision making by the department and the provincial government at large. Honourable Members, it is worth mentioning that the Eastern Cape was applauded nationally for producing comprehensive report on a daily basis.

Madam Speaker, case management and health systems capacity was central to managing the impact of Coronavirus. We are proud of the investment that the department with the support of other government departments, private sector and NGO's made to ready our facilities to manage the impact of the pandemic. We are proud to record that at the end of February 2021, we have provided 2 029 Covid-19 beds. These were made available from infrastructure upgrades of 73 facilities projects undertaken by EDOH through the Department of Public Works and Infrastructure (DPWI) at a cost of R401 million. Furthermore, the department was able to provide bulk oxygen tanks to 9 facilities of which 7 are already functional and 5 additional facilities are planned to be fitted with bulk oxygen tanks in the first quarter of 2021/22. Installation of oxygen points has also been rolled out to hospitals focusing on the 28 facilities that were identified as part of the hub and spoke model for managing the Covid-19 pandemic.

Madam Speaker, as a result of the above health capacity strengthening, the department including private health sector was able to admit 31 436 patients infected by Coronavirus. We were able to equip our hospitals with modern health technology. Many patients received much needed intensive and critical care. We were able to procure 95 ventilators, 121 High Care beds and 137 Intensive Care Unit (ICU) beds. Our actions throughout these trying times were driven and motivated by the philosophy of Batho Pele (Abantu kuqala).

Notwithstanding the difficulties posed by the deadly Coronavirus disease, our collective efforts had assisted us traverse the turbulent waters. It is for this reason we deliver this policy speech under the theme *"the year to strengthen collaborations and partnerships in the era of Covid-19 to protect, promote and improve health in honour of mama Charlotte Maxeke".*

Through partnerships and generous donations from partners and the private sector, the department was able to mitigate the challenges of availability of Personal Protective Equipment (PPE) due to the global demand for the commodities. (WHO, Cuban Medical Brigade, PEPFAR funded organisations like Right to Care, MATCH, TBHIV Care, CHAI (Clinton Health Access Initiative), Solidarity Fund, US Government, Deuttshe Gesellschaft fur Internationale Zusammenarbeit (GIZ), Gift of the Givers, The People's Republic of China, US Government, Church of Jesus Christ, VW, Mercedes Benz SA, Chamber of Mines, Siemens, Right to Care and many benevolent acts and contributions).

The department used various PPE demand forecasting models to proactively plan and procure much needed PPE for healthcare workers. Furthermore, Honourable Speaker, additional human resources were recruited on a 1 year contract basis to strengthen contact tracing and other non-pharmaceutical interventions like sanitizing people at health facilities, cleaning of health facilities and food servers at public hospitals.

Honourable Members, the Coronavirus pandemic did have devastating effects on our health care workforce. As of the 21st March 2021, a total of 302 healthcare workers lost their lives in the line of duty. At this point, I want to pay tribute to these fallen heroes and heroines and salute them for their resilience and commitment in the fight against Covid-19 pandemic. Their efforts and patriotism will always be inscribed in the annals of history. The psychosocial support system was institutionalized through strengthening employee wellness in order to ensure that staff were counselled to process their grief from losing colleagues and loved ones due to the impact of the pandemic. The department further created psychosocial centres where employees were afforded an opportunity to call and receive counselling. Occupational Health and Safety (OHS) committees were established at all levels to improve health and safety measures aimed at protecting staff against the pandemic.

With the threat of the third wave of the Coronavirus, we will continue to monitor our Covid-19 response in the 2021/22 financial year through the Incident Management Team and to implement strategies to mitigate against Covid-19 through strengthening public health and non-pharmaceutical interventions (NPIs), risk communication and improved case management. The department will use the capacity that has been built during the first and second wave to manage the pandemic going forward.

COVID-19 VACCINATION

The roll out of the Johnson & Johnson vaccine under the Sisonke Early Access program has seen the start of the vaccination programme in the country. The vaccination program which started at two research sites in the province namely Livingstone Tertiary hospital and Nelson Mandela Academic hospital has been expanded to Dora Nginza Hospital, Frere Hospital, Life St Dominic's Hospital, Mthatha Regional Hospital and Netcare Greenacres Hospital and is providing an opportunity for our health workers who are at the cold face of fighting the pandemic to have early access to the vaccine.

As at 19th March 2021, we have had 16 808 of our healthcare workers vaccinated with no reported adverse reactions. We therefore would like to assure our people that the vaccine is safe to be administered. It should be noted Honourable Members that the vaccine is administered under strict research conditions which guarantees the security of the vaccine being administered.

For the 2021/22 financial year, we will be moving to vaccinate the targeted population for the Eastern Cape in order to achieve population/herd immunity through vaccinating between 3 874 626 million and 4 497 224 million persons over the age of 18 years in the province. This will be done in 3 phases where in the first phase, we are targeting the patient facing health care workers; in the second phase, essential workers and over 18 years with co-morbidities and lastly; all other persons over the age of 18 years. Partnerships with the private sector and local universities will ensure effective cold chain to access ultra-cold temperature freezers to allow access to different vaccines in the market.

The Department working with the National Department of Health and the Office of the Premier is finalising all logistics related to establishment of vaccination sites across the province including the most far flung areas. We have therefore set aside One billion and thirty-nine million rand (R1 039) for management of Covid-19 in the province including the vaccination programme.

NATIONAL HEALTH INSURANCE (NHI)

Madam Speaker, let me report **on the progress made on National Health Insurance (NHI)** in 2020/21 financial year and our plans for 2021/22 new financial year. NHI is the programme of this government that guarantees right to access, equity, social solidarity, make health a public commodity that is freely available irrespective of financial affordability. We have continued to implement Primary Health Care through Ward-Based Outreach Teams (WBOTs) as prescribed in the White Paper on Transformation of Health System in South Africa based on principles of Reconstruction and Development Programme (RDP). An integrated package of essential PHC services has been made available to the entire population at the first point of contact. **At the end of the third quarter of 2020/21, we had 339 Ward Based Outreach Teams (WBOTs) that are servicing 715 municipal wards at an average of two wards per team.**

Maternal and infant deaths are an albatross that has resulted in medico legal claims which undermine the department's ability to meet its constitutional mandate. Medico-legal litigations associated with Cerebral Palsy and other surgical complications have led to high payments of unbudgeted funds to litigants. The introduction of District Clinical Specialist Teams (DCSTs) intervention has hugely contributed in strengthening clinical governance, mentoring and guidance at health facilities in pursuit to reduce maternal and infant mortality.

Whilst the province is improving in retaining nurse specialist DCSTs, it is struggling to get the category of specialist doctors required in rural districts and is therefore rationalising the few available specialists to cover the whole province especially the eastern region (Alfred Nzo & OR Tambo).

With regards to ideal clinics, at the end of the third quarter of 2020/21, the current cumulative number of clinics that achieved ideal clinic status since the start of the Ideal Clinic program in 2015, is 48% (370 facilities). **In the 2021/22 financial year we will ensure that more facilities attain and sustain their Ideal Clinic status especially given that Ideal Clinics and Ideal Hospitals are a pre-requisite for registration as service providers under the NHI. We are therefore targeting 80 additional clinics to achieve Ideal clinic status in 2021/22 financial year. Twenty-Six (26) district hospitals will be targeted for Ideal Hospital status in 2021/22 financial year.**

As part of improving medicines access and reduce defaulter rates from patients using chronic medicines, the department has continued implementing Central Chronic Medicine Dispensing and Distribution (CCMDD) to decongest health facilities. This has reduced waiting times and the number of patients travelling to healthcare facilities during the periods of stricter Covid-19 lockdown. The department implemented a Synchronised National Communication in Health (SyNCH) system in O.R Tambo, Amathole, Alfred Nzo, Chris Hani and Buffalo City Metro. This is an automated process that tracks the medication supply process up to the patient collection point in the patient's chosen facility or pick up point. As at the end of the third quarter of 2020/21, the department had registered 258 613 patients onto CCMDD programme. Patients active on the CCMDD programme increased from 170 989 in March 2020 to 258 613 at the end of the third quarter of 2020/21. For the 2021/22 financial year, the department plans to increase the number of active patients on CCMDD to 312 000.

Furthermore, Honourable Members, the availability of medicines at public health facilities has also improved significantly through the expanded use of the Stock Visibility System (SVS) that is used throughout the province to track the availability of tracer medicines.

The list of medicines traced includes medicines for tuberculosis, antiretroviral medicines, vaccines, and medicines for chronic non-communicable diseases. Up to the end of the third quarter of 2020/21 financial year, the overall medicine availability in the province was at 86,1% and we are targeting an overall medicine availability of 90% for 2021/22.

Madam Speaker, the Health Patient Registration System (HPRS) is one of the cornerstones of the key pillars of the NHI. HPRS provides key information on demographic and epidemiological data which is important for health sector planning, decision making and improved service delivery. The system makes it possible to track patients at all levels of care to improve quality and continuity of care. At the end of the third quarter of 2020/21, we have managed to register 6.5 million people. The success of HPRS depends on broadband connectivity and availability of a stable network, something that we are seriously challenged in and is an area I will be talking to later on in my speech.

MODERNIZATION OF REGIONAL AND TERTIARY SERVICES

Honourable Members of this august house, whilst we strengthen the primary health care services which is the backbone of the NHI, we are also in pursuit of modernizing our regional and tertiary hospital services to be able to respond to the increasing burden of disease. **In the 2020/21 year, specialist doctors in the Nelson Mandela Central Hospital performed successfully eight Cochlear implantations to patients. This is the procedure conducted in a highly technical and specialized environment to improve the quality of life of patients with severe hearing disability. In the 2021/22 financial year, the department will conduct Cochlear implantations to six patients at Nelson Mandela Academic (2), Frere hospital (2) and Livingstone hospital (2) at a cost of R1.5 million.**

The hearing aids will amplify incoming stimuli while cochlear implant replaces the function lost by the cochlear. The state has a responsibility of assisting and improving the quality of life of its citizens.

Furthermore Madam Speaker, the Nelson Mandela Academic Hospital has a functioning Catheterization Laboratory (popularly known as Cathlab) with 110 procedures having been conducted at this hospital in the 2020/21 financial year up to the end of the third quarter of 2020/21 of which 40 were Adult Cardiology, 10 Paediatrics Cardiology, and 60 Adult Cardio Vascular procedures. The Cathlab at Livingstone Hospital is fully commissioned and will resume operating in April 2021. We are also leveraging resources through the collaboration between Nelson Mandela Academic Hospital and Nelson Mandela Children`s hospital on Paediatric Cardiology. This collaboration will ensure that our people no longer have to travel far to access advanced specialist services.

Madam Speaker, the cancers are some of the dreadful diseases that slowly and painfully kill humankind. In response to this reality, we have refurbished the old Sir Henry Elliot hospital to create wards that will cater for oncology and urology services in the eastern part of the province. In the 2021/22 financial year, we are committing R10 million for the building of the bunkers and related goods and services at Nelson Mandela Academic Hospital. This intervention will prevent patients from the eastern part of the province spending days travelling to East London to get advance oncology services.

Chemotherapy services which were planned to be decentralised in the 2020/21 financial year remained centralized at Nelson Mandela Academic Hospital due to the impact of Covid-19 on travelling and outreach services. A Memorandum of Understanding (MoU) is in place with a private partner to mix drugs and deliver them to St Elizabeth, Oliver & Adelaide Tambo Memorial and Madzikane ka-Zulu hospitals in order to reactivate this program in the 2021/22 financial year. In the new financial year, the penile rehabilitation services will be housed at the refurbished urology ward which is currently being used as a Covid-19 unit at Sir Henry Elliot hospital. This programme provides much needed specialist services to the victims of botched circumcisions and helps to bring dignity to the affected young men.

Cultural Male Initiation (CMI) was not conducted during the winter season of 2020 due to Covid-19 peak. The department in partnership with CMI stakeholders has conducted health safety awareness, screening and testing of boys to exclude and treat any pre-existing a medical condition. We trained Ingcibis and Amakhankatha on the application of health standards when caring for the initiates.

In 2020 Summer season the Eastern Cape Province had 10 741 boys who underwent Customary Male Initiation (CMI). Of the total boys initiated, 4 209 was reported as illegal initiations, with more than 2000 reported in Alfred Nzo. Sadly 14 deaths were reported during the season. May the families and friends be comforted for their loss of their loved ones. The commitment demonstrated by all structures in managing the Customary Initiation Practice had an impact in the reduction of deaths.

RADIOLOGY SERVICES

In a bid to improve clinical support services that assist clinicians to make proper diagnosis, the department has invested in the implementation of the Picture Archiving Communication System (PACS) which is a system through which the X-Ray images are electronically transferred to the referring clinician's computer or tablet and can be sent electronically to other healthcare institutions. This system is also responsible for the storing of X-Ray images.

The PACS system is also supplemented with the Radiological Information System (RIS) which assists with electronic registration of patients, statistics and bookings. The department has invested R11,2 million in the procurement of PACS and the RIS in the 2020/21 financial year. At Cecilia Makiwane hospital, the PACS and RIS installation have been fully installed and the institution is no longer printing x-ray films. Implementation of the system at Frere and Livingstone hospitals is 80% and 65% respectively. These interventions display our undying commitment to provide quality services to our people. **The full implementation of the system in the above facilities will be completed in the 2021/22 financial year.**

SPECIALIST TRAINING

Madam Speaker, development of specialities and sub-specialities (in the case of tertiary hospitals) is one of the critical elements of a functional regional and tertiary services package. Nelson Mandela Academic Hospital has gained full accreditation for the local training of the following categories of specialists: Anaesthesia, Radiology, Paediatrics, Obstetrics and Gynaecology, Internal Medicine, General Surgery, Family Medicine and Dermatology. Furthermore, we are continuously investing on the skills and expertise of our health professionals to improve the quality of health care delivery. **I am proud to announce that we have 14**

specialists who passed their registrar examinations in the 2020/21 financial year of which one is a Plastic & Reconstruction Surgeon and another a Radiation Oncologist. For the 2021/22, we are targeting to have an additional 20 Specialists enrolled onto the registrar programme.

REHABILITATION SERVICES

Honourable Members, the department has a responsibility to ensure that persons with disabilities receive quality health services that will improve the quality of their lives. In this regard, the department is leveraging partnership with The Church of Jesus Christ of Latter-Day Saints (LDS Charities) to improve access to persons with disabilities through provision of wheelchairs and training of therapists on correct wheelchair sitting.

In November 2020 the Church of Jesus Christ of Latter-Day Saints (LDS) charities donated a total of three hundred and forty (340) wheelchairs amounting to R1,9 million which were issued to needy patients in the Eastern Cape province., The department has issued 848 wheelchairs inclusive of 201 wheelchairs issued to children under the age of 18 years. The department also issued 861 hearing aids of which 132 were issued to children under the age of 18 years.

A new addendum for the expansion of the LDS contribution has been signed in early March 2021 which will see LDS providing support to the department of R4,1 million to increase wheelchair provision to seven hundred (700) with inclusion of specialized wheelchairs. Furthermore, LDS charities will train departmental therapists on basic and intermediate World Health Organization (WHO) accredited trainings in July 2021. In addition, LDS will sponsor 1 220 walking aids including long canes for blind persons as well as establishment of six wheelchair repair workshops which will be provided with repair toolkits and spare parts.

Rehabilitative services are also a critical component in mitigating against the high cost of medico legal claims. The ability of the department to demonstrate adequate capacity to deal with Cerebral Palsy (CP) cases will go a long way in reducing the amounts claimed by litigating attorneys as these amounts are inflated when it comes to future medical costs. The judgment in the matter of MSM obo KBM vs Gauteng MEC Health and Social Development made provision that it is possible for the state to provide medical health care **services** (e.g. speech therapy, ear, nose and throat services, orthopaedic services, urology, dietary supplementation, psychiatric treatment, physiotherapy, dental services, dietary supplementation, wheelchairs and orthotics, paediatric neurologic services and occupational therapy) instead of lump sum payments, where the state can prove that it has such capacity.

In our case, eight Centres of Excellence that have been identified, only Nelson Mandela Academic Hospital and Cecilia Makiwane have been gazetted as Centres of Excellence for the management of Cerebral Palsy cases in the province. The reimaging remaining six centres are being developed to meet the criteria for gazetting.

In 2020/21 financial year, the department invested R20 million to strengthen rehabilitative services for the management of Cerebral Palsy cases. The department has retained 28 Occupational Therapists, 23 Physiotherapists and 8 speech therapists Community Service personnel in order to increase the capacity of rehabilitative services in the province.

For the 2021/22 financial year, the department has allocated R60 million for maternal and child health services in the 28 hub and spoke facilities which also happen to be the most litigated hospitals in the province. Additionally, this allocation will strengthen rehabilitative services in these 2 centres of excellence and other 6 Cerebral Palsy centres in the province. We are indeed convinced that interventions that deal with Cerebral Palsy will improve the quality of life of the affected children and alleviate strain on their families.

EMERGENCY MEDICAL SERVICES

Honourable Members, Emergency Medical Service (EMS) is one of the frontline services that provides emergency life-saving interventions. **To improve effectiveness and efficiency of our EMS, the department has procured an Electronic Call Taking and Dispatching Software System. The software is being rolled-out at Nelson Mandela Bay Metro and Chris Hani (Komani) due to strong network requirements whilst awaiting the full roll out of broadband across the province.** An aeromedical bid has been awarded however the unsuccessful bidder is litigating the process and to ensure continuity of aeromedical services, the department has appointed an interim service provider on a month to month basis until the court matter has been resolved**.**

The timeous repair of ambulance services remains one of our key challenges as the department and this affects EMS turnaround times. The National Department of Transport has appointed a services provider - FIRST AUTO to start on the 1st of April 2021 – this in an attempt to improve maintenance and repairs of vehicles. **The department will continue to work with the provincial Department of Transport through the Government Fleet Management Services (GFMS) to ensure that ambulances are prioritised whilst also ensuring that ambulances procured are suitable for the rough terrain of the rural areas.**

The EMS training has also been rationalized and aligned with the National Qualifications Framework (NQF). A group of nine bursary holders have qualified for a four-year degree in Emergence Care in the 2020/21 financial year from Nelson Mandela University (NMU). The department will ensure that these bursary holders are retained to improve the numbers and quality of skills in the EMS unit.

PRIORITY HEALTH PROGRAMMES

The aim of the HIV/AIDS and TB programme is to control the spread of HIV infection, reduce and manage the impact of the disease to those infected and affected. By end of third quarter, the department managed to initiate 37 444 new patients on Ante Retroviral Treatment (ART). The department has also managed to initiate anti – Tuberculosis treatment to over 90% of diagnosed patients especially 5 years and above diagnosed with Drug Sensitive TB during the period under review.

Due to Covid-19 pandemic, the department reported a high TB and HIV lost to follow up, this is attributed to the disruption in the services that resulted from lockdown and as well as patients missing their appointments.

To address the TB lost to follow up, the department will continue to implement the workplace programmes especially in the farming communities of Sarah Baartman due to seasonal farming. Working with developmental partners, the department is also intensifying social mobilization activities in all the districts, through local radio talk and social media to educate communities on the importance of completing TB treatment and adhering to ART. **The department is also embarking on the Welcome Back campaign, through tracking and tracing HIV and TB patients lost to follow up.**

Immunisation for the under-1year coverage has been affected due to Covid-19 pandemic and did not achieve the 80% provincial target. The districts are currently implementing the catch-up campaign in order to reach all the children that missed their immunisation schedules.

PREVENTION OF MOTHER TO CHILD TRANSMISSION (PMTCT)

In the 2021/22 financial year the department will scale up Prevention of Mother to Child HIV Transmission (PMTCT) by targeting to reduce to less than 0.5% PCR positivity in HIV exposed children. This is will be achieved by ensuring that at least 95% of HIV positive pregnant mothers are initiated on ARV. This will be in line with the mother, child and women health (MCWH) and ARV treatment initiation programme.

In the 2021/22 financial year, we shall invest R2.5 billion in the programmes to prevent and treat HIV/AIDS and Tuberculosis. To strengthen community education and awareness, the department has set aside R26.2 million of the above budget to Advocacy, Communication and Social Mobilization (ACSM) by applying Massive, Repetitive, Intensive and Persistent (MRIP) communication strategy to reach a wide spectrum of audiences.

Honourable Members, in the coming financial year, **we will strengthen our school health programmes as well as maternal and child health programmes in order to achieve our set targets. We will invest in a massive health promotion drive underpinned by a strong communication strategy in order to reduce the burden on diseases of lifestyle such as diabetes and hypertension. Additionally, our focus on mental health services will be on the establishment of structures and the architecture to implement community based mental health services.**

GENDER-BASED VIOLENCE (GBV)

The is a despicable unwarranted physical and emotional attack on many innocent women and children in our communities. **On Gender-Based Violence, we provide services for the sexual assault victims through the provision of Post- Exposure Prophylaxis in our Thuthuzela Centres.**

To date, we have 76 of our hospitals and 5 Community Health Centres (CHCs) namely Hewu, Middledrift, Dimbaza, Ngangelizwe and Thornhill providing services to victims of rape. We will continue to provide these services

In the 2020/21 year, the department provided 34 Colposcopies which are essential in forensic examination and taking of pictures which assist with testimony in court. In the same period, the department managed to examine and treat 2 066 victims of Gender-Based Violence including rape and linked these victims with psychosocial support services. A total of 88 000 comfort packs were distributed to all facilities who are conducting sexual assault services. In the 2021/22 financial year, we will continue to provide these services.

OPTIMIZATION OF THE SERVICE DELIVERY PLATFORM

Madam Speaker, given the continued fiscal constraints, advancements in technology and increase in life expectancy, the department is developing and will Implement Service Platform Optimization Plan that will ensure that it delivers services that are responsive to these dynamics. The need for this plan stems from the understanding that the current organization, management, and resources (human, financial and infrastructure) are not fully responsive to the challenges faced by the health system, and thus resulting in the provision of services and care that is below the expectations of stakeholders. **The department is geared to provide a full package of services and levels of care, with an emphasis on the primary health care approach, to all the users who rely and depend on the public health system, guided by the need to ensure access, equity and quality.**

Honourable Members, this plan is premised on equity of access to health care which uses a population based geographical information system approach. It takes cognisance of drive times and activity and a provision of efficient and reliable EMS service for referral of patients to the next level of care. Through the service optimisation plan, we shall ensure there is differentiation of services at the appropriate levels of care.

Our key focus in the 2021/22 year will be on the correct categorisation, classification and resourcing of the less than 50 bed hospitals, decanting and repurposing of some of the TB hospitals as well as consolidation of health facilities that are within close proximity to one another.

Honourable Members, I want to emphasize and assure this house that this process will be done with full consultation and participation of key stakeholders such as the hospital boards and clinic committees, staff and the very communities that are recipients of our services. **The service optimisation plan will be anchored on a strong ICT platform which will ensure that information is shared seamlessly between facilities across the provincial health delivery platform.**

IMPROVING LEADERSHIP AND GOVERNANCE

Honourable Speaker, the vacant and critical leadership positions of seven hospital Chief Executive Officers at regional and tertiary hospitals pose a threat to leadership and governance. We are moving with speed to address this vacuum and the related acting appointments within my 100 days in office programme. We are reviewing the Head Office structure with the aim of streamlining it and first deploying senior management service to fill some of the vacant positions, in line with their capabilities and to ensure optimal utilisation of our human capacity.

We shall also strengthen Lilitha College of Nursing leadership and fast-track the process of full accreditation of the college. We will ensure that suspensions and disciplinary processes of senior management service are decisively dealt with so that those that are cleared return to service.

The organogram is being finalised for implementation in 2021/2022; implementation which is inclusive of headcount analysis; establishment of placement panels for person to post matching; and extensive staff change communication.

To strengthen governance at hospital board and clinic committee level, the department will complete the roadshows to communities and stakeholders on the governance documents. We shall extend the terms of office by six months of expiring Clinic Committees and Hospital Boards to allow thorough process of nominations and selections.

FINANCIAL MANAGEMENT

Honourable Speaker, I think it is prudent that I lay bare the extent of the financial constraints that the department of Health in the Eastern Cape is confronted with. **The threat of the unbudgeted medico legal claims that continue to eat away from the department's budget that is earmarked for service delivery, is fast manifesting into reality.**

Just from 2014/15 to end of February 2021, the department has paid a cumulative amount of R3.4 billion on medico legal claims. As a direct result of this, at the end of December 2020, the department recorded payables and accruals of R3,1 billion and this figure is expected to rise to R4.4 billion by year end. This means that our suppliers have had to carry us all this time because money meant to pay them for services delivered to the department is being syphoned by medico legal claims. To make matters worse, there are in excess of 5000 medico legal claims already lodged against the department.

Medico legal claims continue to be the single biggest threat to the sustainability of the department. The department has a medico legal strategy divided into three main intervention areas, being administration interventions; clinical Interventions; and legal Interventions. It has been noted that patient file management is one of the biggest risks in the medico-legal value chain, which if left unchecked, will continue to result in high contingent liability for the department. It is for this reason that for 2021/2022, huge focus will be on administrative interventions related to electronic records management as part of the e-Health intervention in the highly litigated 28 hospitals.

We shall continue to hold staff accountable and implement consequence management in instances of proven medico-negligence and where SIU investigations indicate collusion, fraud and corruption.

It is for this reason that I truly appreciate and welcome the Hon Premier's vision and foresight to lift the medico legal claims problem to be a provincial intervention and further establishing a Specialised Litigation Unit to specifically focus on the vigorous defence of these cases as well as the Treasury's Medico-legal Investigation Unit to urgently investigate any suspected fraudulent medico legal claims. **I am happy to report that through the support of the Special Investigation Unit, we have managed to have 8 cases amounting to R96 million opened with the Directorate of Priority Crimes Investigation and are being processed through our courts.**

With this background, Honourable Speaker, it means that from the 2021/22 budget appropriated for Health of R26.4 billion, the R4.4 billion accruals coming from this current financial year will take first charge on this budget before any plans and priorities for the 2021/22 year are implemented. If one considers the projected over expenditure on Compensation of Employees for the current financial year of R689 million and the estimated value of medico legal claim settlements for 2021/22 based on the current year's trends, the real budget for the department for the 2021/22 financial year becomes R21.3 billion of which R17.9 billion or 84% is for Compensation of Employees. In reality, this will leave us with R3.4 billion to render health care services to the people of the province.

INFRASTRUCTURE DELIVERY

Appropriate infrastructure is a key element of a well-functioning health system. In the 2020/21 year Honourable Speaker, our infrastructure delivery focus was mainly focusing on readying our facilities to manage the increased number of patients as a result of the Coronavirus pandemic. We procured 1 284 patients bed at health facilities whilst an additional 120 beds were donated.

A total of 60 Invasive Ventilators and 160 Non-invasive Ventilators were also procured and delivered to all facilities with ICU and High-Care departments whilst over 2 000 respiratory devices were received through the generous donations from the private sector and NGOs. We also procured other essential equipment such Patient Monitors, ECG units, Video Laryngoscopes, Defibrillators, Pulse Oximeters, Suctions, Infusion Pumps to ensure safe and adequate medical devices are available in all facilities. Furthermore, 5 Anaesthetic Machines, 10 Theatre Lights, 100 Phototherapy Lights, 100 CTGs, 15 ultrasound machines, incubators and ICU cribs were procured for the 28 highly litigated facilities.

Informed by the limited financial resources Honourable Speaker, for the 2021/22 year, our focus on infrastructure will be more on maintaining our existing infrastructure portfolio as opposed to building new projects. Only a few projects which are currently ongoing will be prioritised in 2021/22 year and over the MTEF period. These include Cradock Hospital upgrade, Meje CHC, Sipetu Hospital, Flagstaff CHC, refurbishments at St Elizabeth Hospital, Lady Grey Hospital, Nessie Knight Hospital and Cecilia Makiwane Hospital Mental unit. The department will also continue to implement the 16 projects to provide health professionals accommodation at Mpindweni, Isikhoba, Qebe, Nkwenkwana, Ndofela, Bumbane clinics as well as Greenville, Grey, Majorie Parish, All Saints, Victoria, Empilisweni, Esilimela, Mthatha Regional, Nessie Knight and Mjanyana Hospitals.

Madam Speaker, in the coming financial year, we shall procure Digital Mobile X-Ray units for various institutions. This will also help to provide mobile x-ray services for Covid-19 patients. The department is planning to replace old x-rays with Floor-Mounted Digital X-Ray units as a result of advances in technology.

COMPLIANCE WITH 30-DAY PAYMENT PERIOD

Honourable Members, the other unintended consequence of the scourge of medico legal claims is that it eats away on cash earmarked for the payment of goods and services which affects the department's ability to comply with the payment of suppliers within 30 days. This is indeed a serious area of concern for the department. Notwithstanding, Honourable Speaker, I commit that in the 2021/22 financial year, the department will continue to ensure that within the constrained fiscal environment, the Small, Medium and Micro Enterprises (SMMEs) are always prioritised. The department will use its district and provincial Cost Containment Committee structures to monitor the payment of suppliers in a manner that ensures continuity of non-negotiable services.

These harsh realities Honourable Members require that we rethink and re-imagine how we deliver health services to the people of the province. We have no choice but to optimise our service delivery platform and ensure that the existing resources we have, be it human, financial and infrastructure are optimally utilised to get more from less. We have to strengthen partnerships and collaborations with various stakeholders who have the muscle, skills, capacity and know-how in some of the areas that we have deficiencies.

SUPPLY CHAIN MANAGEMENT

The advent of Covid-19 meant that the department had to procure large quantities of goods and services within a very short period of time., the department made progress in meeting equity targets for procurement from designated groups. In relation to Covid-19 procurement, 40% of orders issued were from companies with 50% and above, women representation, whilst 48% orders were issued to companies with youth representation and complying with procurement of goods and services with local content.

Small Medium and Micro Enterprises (SMMEs) are priorities in the services as part of economic development of the provincial economy. **For efficient and cost effective delivery of patient's food, we shall procure directly from producers and manufactures of fresh produce, dairy, meat, bread, milk and dry groceries. In the 2021/22 financial year, we will ensure that we expand economic opportunities to persons with disabilities including designating services like repairs to wheelchairs and other prosthesis and orthoses to be procured from companies owned by persons with disabilities**. This will be done in close collaboration with our partner LDS.

AUDIT OUTCOMES

Honourable Speaker, the department received a qualified audit opinion for the 2019/20 financial year as a result of the misstatement of the medico-legal contingent-liability with areas of emphasis on irregular and fruitless expenditure as well as conflict of interest. The department has developed an Integrated Audit Improvement Strategy (IAIS) which incorporates the audit findings of the regularity audit, the audit of performance information, internal audit findings as well as SCOPA resolutions.

Progress on the implementation of the Integrated Audit Improvement Strategy is monitored on a monthly basis and reported to Provincial Treasury and the Audit Committee on a regular basis. The department also has an established Provincial Budget Advisory Committee (PBAC) that monitors and reviews departmental financial performance in a bid to strengthen financial governance and accountability within the organization.

FRAUD AND ANTI-CORRUPTION

Honourable Speaker, we are committed to ensuring that we heed the Honourable Premier's call to strengthen fraud and anti-corruption efforts and ensuring that the related consequence management is implemented. Together with the Provincial Treasury, the department is actively dealing with conflict of interest arising from employees of the State doing business with the State.

Going into 2021/22, the department will continue implementing controls to proactively identify and prevent potential conflict of interest and where employees have been found to have done business with the State, they will be subjected to disciplinary processes and their companies blacklisted on the Centralised Supplier Database (CSD). Honourable Members, we will continue to work together with the Provincial Treasury's MIU and other law enforcement agencies to investigate cases of fraud and corruption related to medico legal claims which are our key risks. Furthermore, in the new financial year, we will review our fraud management policies and plans to ensure that they consider the latest acts and guidelines as well as the emerging fraud risks.

INFORMATION COMMUNICATION AND TECHNOLOGY (ICT)

Hon. Members, Information, Communication and Technology (ICT) platform and intervention strategies have become the cornerstone and engine to drive sectors of society and economies globally. The advent of Covid-19 with its non-pharmaceutical interventions has challenged the societal and work cultures from all angles. Health information and digitization of medical practices is a necessity if governments and industries are to embrace the 4th Industrial Revolution. The NHI interventions are built and strongly anchored around the use of modern technologies with value-add mechanisms. Also given our financial constraints and the need to rethink and reshape the delivery of our healthcare services, a strong ICT architecture is a necessity.

For the 2021/22 Madam Speaker, we will be investing R96 million to develop and strengthen e-Health solutions that will lead to enhanced service delivery. This investment will ensure that we have (1) stable ICT infrastructure, (2) servers and storage capacity; (3) Good ICT infrastructure monitoring systems; and (4) harmonisation of the ecosystem of e-Health solutions which includes HPRS, Hospital Management System (HMS2) and RxSolution amongst others. A total of 28 hub and spoke facilities have been identified for the initial roll out of these interventions as part of a 3-phase implementation plan over the MTEF. Furthermore, the area of ICT is one where we will make extensive use of partnerships with the relevant stakeholders such as the Department of Communications and Digital Technologies, State Information Technology Agency (SITA), private sector and partners to leverage the capacity and capabilities.

COLLABORATIONS

Honourable Members, given the mammoth task that is before us and the reality of the constrained fiscal environment, it is absolutely critical that we forge strategic collaborations with the public sector departments, private sector, the NGO sector, health science faculties, international donors, faith based organisations, traditional leaders and other critical stakeholders**. In the 2021/22 financial year we will pursue some strategic partnerships which include amongst others:**

- Department of Higher Education and Training **(DHET)** and the Council for Scientific and Industrial Research **(CSIR)** to augment the department's research skills and capacity in finding evidence-based solutions to most of our health care delivery challenges.
- **Private health establishments and private medical aid schemes** to look at opportunities to improve revenue collection and sharing of resources and skills especially in relation to private hospitals.
- **Department of Communications and Digital Technologies** as well as State Information Technology Agency (SITA) to strengthen the department ICT platform which will form the backbone of our strategy to deliver health care services going forward.

We will be working more closely with sector departments such as the Departments of Social development and Education through our existing MOUs to strengthen school health programmes that are aimed at addressing the burden of teenage pregnancy, substance abuse amongst learners as well as malnutrition in learners. We will continue to engage with the Department of Transport to prioritise roads leading to health care facilities in a bid to improve access to healthcare facilities and improve EMS turnaround times. Also, in the spirit of co-operative governance we will be working with the municipalities to address public health issues like environmental health

services. We shall continue to cooperate with other departments like DRDAR and DJCD to strengthen service delivery. The advent of the Covid-19 pandemic has shown us the need to work more closely together.

2021/22 BUDGET AND PROGRAMME ALLOCATIONS

Honourable Speaker and Honourable Members of this house, for the 2021/22 financial year, the department has been allocated Twenty- six billion, Four Hundred and Thirty Million, Five Hundred and Eighty Eight Thousand Rand (R26 430 588) which is broken down per programme and economic classification as reflected in the table 1 below.

Table 1: 2021/22 budget allocation by programme and economic classification

PROGRAMME	ALLOCATION R '000
1. Administration	791 566
2. District Health Services	14 245 892
3. Emergency Medical Services	1 304 848
4. Provincial Hospital Services	3 339 400
5. Central Hospital Services	4 372 654
6. Health Sciences and Training	928 658
7. Health Care Support Services	173 245
8. Health Facilities Management	1 274 325
Total	**26 430 588**

ECONOMIC CLASSIFICATION	ALLOCATION R'000
Compensation of Employees	17 116 280
Goods and Services	7 566 786
Transfers and Subsidies	308 056
Payments of Capital Assets	1 449 466
Total	**26 430 588**

CONCLUSION

As I conclude Honourable Speaker, I wish to extend my sincere gratitude to the health team led by the Acting Superintendent General, Dr. S. Zungu for their hard work and contribution towards realization of an improved quality Health care to the entire population of the Eastern Cape.

I am also deeply grateful to Dr. S. Moko and his team and my core staff for hard work and diligence in assembling and compiling inputs for this policy speech. We appreciate the contribution and commitment of social partners and governance structures in the delivery of quality health care services.

We are equally grateful for the philanthropic spirit of the developmental partners and private sector donors who truly assisted the department in its fight against the Coronavirus pandemic, we are forever indebted to you. Ningasilahli zihlobo!

To all the employees of the Department of Health who braved Covid-19 in the frontline, thank you very much for your dedication, patriotism, humility in serving the people of Eastern Cape.

We are challenged to take change seriously especially with the advent of Coronavirus pandemic. Dr. Myles Munroe 2009, in his book Keys for Change said "*Change is always an introduction of the future to the present. Change is always tomorrow taking over today, and denial of change is a decision to live in yesterday. To deny change is to become irrelevant.*"

Madam Speaker allow me to present the Eastern Cape Department of Health budget allocations, Annual Performance Plan, Operational Plan and Service Delivery Improvement Plan for 2021/22 financial year for consideration and approval.

I THANK YOU!