Why we need the Second Presidential Health Compact

Olive Shisana

Minister of Health, Hon Dr Joe Phaahla
Premier of Gauteng, Hon Panyaza Lesufi
WHO Country Director, Dr Owen Kaluwa
Deputy Minister of Health, Dr Sibongiseni Dhlomo
Chair of the Portfolio Committee on Health, Dr Kenneth Jacobs
Members of the Portfolio Committee
MECs for Health
Director General of Health, Dr Sandile Buthelezi
President of COSATU, Ms Zingiswa Losi
SIU Head, Advocate Andy Mothibi
Vice President of the Medical Research Council, Dr Liesl Zuhlke
Co-Chairs of the Presidential Health Summit, MEC Nomagugu Simelane, and Professor Gonda Perez
Ladies and gentlemen
All protocol observed,

Today, I will be discussing why we need a Presidential Health Compact. In so doing, I will start with the latest information on the South African health system, health status of the population, including mortality and morbidity, and the solutions and challenges the country faces in addressing these issues. I will also analyse the health system in terms of the six building blocks of the World Health Organization and the prevalent diseases in South Africa.

South Africa has made significant progress in improving its health system and reducing the disease burden over the past few decades. However, the health system has faced numerous challenges in recent years, including the shortage of health workers, inadequate funding, and limited access to health facilities, among others. These challenges have had a significant impact on the health status of the population, with South Africa having one of the highest mortality rates globally. However, over the last five years, we have seen a decline in HIV/AIDS, TB mortality, maternal mortality and infant mortality.

In terms of the WHO six building blocks, South Africa's health system faces numerous challenges and has crafted solutions. The first building block, **service delivery**, is hampered by a non-integrated two-tiered healthcare system, consisting of public and private sectors. The public sector caters to most of the population, while the private sector serves a smaller portion. However, the public sector is often understaffed, under-resourced, and overcrowded, leading to longer waiting times and inadequate care. Many health facilities though provide excellent health care, which is reflected in the finding by the countrywide survey which showed that the percentage of patients reporting a positive experience of care in the public sector increased from 76,5% in 2017 to 90% in 2022 (Department of Health).

The second building block, **health workforce**, faces paradoxical challenge in South Africa. On one hand the country has a shortage of healthcare workers, particularly doctors and nurses, and this has resulted in a high patient-to-healthcare worker ratio (WHO Global Health Observatory Data Repository, 2020; National Health Workforce Accounts, 2021). Furthermore, the public health sector is understaffed, leading to long waiting times and inadequate care. During COVID-19 pandemic the country mobilised resources from reserves to recruit many more health workers, even from retirement and from abroad. However, the country did not have infinite resources to retain them.

On another hand there is the large number of professionals who are unemployed-thousands of nurses and more than a thousand doctors. The major factor of this issue is the ability of the fiscus to absorb and provide all occupational protections to the number of health workers required for the country. The Presidency through the AU COVID-19 Commission is working to innovate on this in partnership with Africa CDC Health Economics Unit and in line with the AU's health workforce agenda under the New Public Health Order, which emphasises health workforce retention. Through NHI, by relying on allocative efficiency the country is likely to absorb most of unemployed health professionals to offer needed health services.

The third building block, **health information systems**, was a challenge nationally. The country lacked a centralized system for managing health data, which has resulted in fragmented data collection and analysis, leading to inaccurate health statistics. However, success is palpable here, and people had a taste of this with the Electronic Vaccination Data System. The Department of Health continues to make good progress with the Health Patient Record System which has been introduced in 3 150 facilities with more than 60 million registered users and 35 million of those with ID verification. Should the Bill become law, it will allow NHI users to access their records no matter which part of the country they receive services.

The fourth building block, **medical products and technologies**: This country has a well-developed pharmaceutical industry and access to a range of medical products and technologies. However, access to these is often limited to the private sector due to their high cost. (Pharmaceutical Society of South Africa, 2021; WHO Global Health Expenditure Database, 2020). Despite the capacity of the pharmaceutical industry to produced therapeutics, the country faces challenges in medical products, vaccines, and technologies in terms of supply chain management and procurement.

The country faces issues with inadequate drug supply, and ineffective procurement processes, leading to drug shortages and inadequate care, despite having a good medicine regulatory authority, SAHPRA, which has recently attained maturity level three, confirmed by the WHO. The recent example of issuing a tender to a non-South African supplier instead of a local pharmaceutical state-owned company is an example of policy misalignment that is currently been addressed. It would be good for the Department of Trade and Industry to expedite the preferential procurement policy Bill by tabling it in parliament to strengthen DoH's ability to invoke preferential procurement provisions in law and purchase local products even if they come at a premium because in the end this would benefit the economy.

The fifth building block, **health financing**, is a significant challenge. The country's public health sector is underfunded with a spending of R259.2 billion or 4.2% of the GDP to serve 85% of the population, while the private sector spends about the same amount of money for 15% of the population. This results in inadequate resources to provide quality care.

To address health care financing challenges and attain equity for all citizens, the South African government has proposed the introduction of national health insurance (NHI) as a potential solution. The NHI aims to pool resources to provide universal access to quality healthcare services- free at the point of care- for all South Africans, irrespective of their socio-economic status. The NHI Bill states that it will be funded through a combination of taxes and other revenue sources, with the aim of ensuring that all citizens have access to affordable healthcare services. As a health financing mechanism, it aims to correct the current inequities that remain pervasive so that South African policy and practice align with the aspirations of the Universal Health Coverage commitment within the United Nations Sustainable Development Goals.

Lastly, the sixth building block, **leadership and governance**, faces challenges. The country has a complex health system with multiple stakeholders, leading to inadequate coordination and accountability. Additionally, corruption in the procurement of healthcare services and medical products has been a significant challenge, further limiting access to timely quality care. The formation and launch of the Health Sector Anti-corruption Forum in 2019 by President Ramaphosa was an excellent step in addressing epidemic corruption and we will hear more about this from Advocate Mothibi on the excellent progress it has made.

In terms of the **prevalent diseases**, HIV/AIDS, STIs, TB, mental health disorders, and non-communicable diseases such as cancer, diabetes, hypertension, and heart diseases remain significant challenges. For its societal impact, the soaring teenage pregnancies means more work needs to be done for youth friendly sexual reproductive health services. According to the South African National AIDS Council, there were an estimated 7.8 million people living with HIV in South Africa in 2020, with approximately 84,000 AIDS-related deaths reported. In terms of TB, South Africa has the highest TB incidence rate globally, with an estimated 360 000 new cases in 2019. Diabetes, cancer and heart disease are on the increase.

The COVID-19 pandemic has further highlighted the challenges the health system faces. The country has reported over 4 million cases and approximately 102 595 deaths as of February 2023. The country managed the COVID-19 pandemic very well, applying evidenced-based public health approaches to prevent the health system from being overwhelmed.

It is for these reasons that a health compact is necessary between the state and key stakeholders in health to ensure collaboration and coordination in achieving better health outcomes for the population. The state, as the main provider of healthcare services, cannot address all the health challenges on its own, and it needs the support of other stakeholders, including the labour, private sector, civil society organizations, users and communities.

A **health compact** can help to establish a shared vision and goals for the health system and provide a framework for collaboration among stakeholders. It can facilitate the development of policies and strategies that are evidence-based, inclusive, and transparent, and ensure that resources are used efficiently and effectively. The compact can also help to promote accountability, by establishing clear roles and responsibilities for each stakeholder, and monitoring and evaluating progress towards the agreed-upon goals.

Furthermore, a health compact can help to mobilize resources for the health system, by engaging with the private sector and other stakeholders on innovative financing mechanisms, such as public-private partnerships. It can also help to ensure that resources are allocated equitably, and that vulnerable and marginalized populations have access to quality health services.

This Summit builds on the 2018 Presidential Health Summit and the 2019 Compact signed by the President, the Minister of Health, and the stakeholders, many leading the discussion today.

The primary goal of the Presidential Health Summit-II is to find viable solutions that would enable the healthcare system to be adequately prepared for the implementation of the National Health Insurance. To achieve this objective, the summit has set specific goals, which are as follows:

1. Review and evaluate the implementation of interventions agreed to in 2018 and measure with a score card the health system's performance against the Health Compact.
2. Evaluate the functioning of the Pillars and identify best practices, encouraging consistent, streamlined, standardized, and more robust participation. And add the Pillar on Pandemic Preparedness.
3. Discover alternate, sustainable interventions that ensure the implementation of mechanisms that have not been put in place to achieve the unmet targets.
4. Determine the readiness of the health system to implement the NHI, recognizing the urgent measures required to recalibrate the system and hasten the NHI reforms; and
5. Analyse global experiences, shaping approaches to bring South Africa closer to NHI and establish resilient health systems that suit the South African context.

The Presidency would like to thank these organizations for crating the 2018 compact:
16 Government Departments, led by the Department of Health
78 Health Professional Organizations
36 Patient User Groups
8 Public Health Entities
Business Organizations, led by BUSA
32 Academic and Research Institutions
14 Civil society organizations
5 Science councils
6 Statutory Councils
3 Labour Organizations
11 Allied Health Professions and
3 Traditional Practitioner organizations

"Alone we can do so little; together we can do so much." - Helen Keller

THANK YOU FOR YOUR ATTENTION