

# Chapter One: Vision, Mission and Situation Analysis

## 1.1 Vision

An accessible, caring and high quality health system.

## 1.2 Mission

To improve health status through the prevention of illnesses and promotion of healthy lifestyles and to consistently improve the health care delivery system by focusing on access, equity, efficiency, quality and sustainability.

## 1.3 Health Acts

Various pieces of legislation that govern and guide the functioning of the Department are outlined below, with a brief description of their provisions.

### 1.3.1 Legislation falling under the Minister's portfolio

- **Constitution of the Republic of South Africa Act, 108 of 1996**  
Provides for the rights of access to health care services and emergency medical treatment.
- **National Health Act, 61 of 2003**  
Provides for a transformed national health system for the entire Republic.
- **National Policy for Health Act, 116 of 1990 (To be repealed by the National Health Act)**  
Provides for the determination of national health policy to guide the legislative and operational programmes of the health portfolio.
- **Health Act, 63 of 1977 (To be repealed by the National Health Act)**  
Provides for the provision of health services in the country.
- **Medical Schemes Act, 131 of 1998**  
Provides for the regulation of the medical schemes industry to ensure consonance with national health objectives.
- **Medicines and Related Substances Act, 101 of 1965**  
Provides for the registration of medicines and other medicinal products to ensure their safety, quality and efficacy. The Act also provides for transparency in the pricing of medicines.
- **Mental Health Care Act, 17 of 2002**  
Provides a legal framework for mental health in the Republic and in particular the admission and discharge of mental health patients in mental health institutions with emphasis on human rights for mental patients.
- **Choice on Termination of Pregnancy Act, 92 of 1996**  
Provides a legal framework for termination of pregnancies based on choice under certain circumstances.
- **Sterilization Act, 44 of 1998**  
Provides a legal framework for sterilizations, also for persons with mental health challenges.
- **SA Medical Research Council Act, 58 of 1991**  
Provides for the establishment of the SA Medical Research Council and its role in relation to research, in particular, health research.

- **Tobacco Products Control Amendment Act, 12 of 1999**  
Provides for the control of tobacco products, prohibition of smoking in public places and advertisements of tobacco products as well as sponsoring of events by the tobacco industry.
- **National Health Laboratory Service Act, 37 of 2000**  
Provides for a statutory body that provides laboratory services to the public health sector.
- **Health Professions Act, 56 of 1974**  
Provides for the regulation of health professions, in particular, medical practitioners, dentists, psychologists and other related health professions, including community service by these professionals.
- **Pharmacy Act, 53 of 1974**  
Provides for the regulation of the pharmacy profession, including community service by pharmacists.
- **Nursing Act, 50 of 1978**  
Provides for the regulation of the nursing profession.
- **Allied Health Professions Act, 63 of 1982**  
Provides for the regulation of health practitioners like chiropractors, homeopaths, etc. and for the establishment of a council to regulate these professions.
- **Dental Technicians Act, 19 of 1979**  
Provides for the regulation of dental technicians and for the establishment of a council to regulate the profession.
- **Hazardous Substances Act, 15 of 1973**  
Provides for the control of hazardous substances, in particular those emitting radiation.
- **Foodstuffs, Cosmetics and Disinfectants Act, 54 of 1972**  
Provides for the regulation of foodstuffs, cosmetics and disinfectants, in particular, quality standards that must be complied with by manufacturers as well as their importation and exportation.
- **Occupational Diseases in Mines and Works Act, 78 of 1973**  
Provides for medical examinations on persons suspected of having contracted occupational diseases especially in mines and for compensation in respect of those diseases.
- **Council for Medical Schemes Levy Act, 58 of 2000**  
Provides for a legal framework for the council to charge medical schemes certain fees.
- **International Health Regulations Act, 28 of 1974**  
Provides for the adoption of resolutions adopted at the World Health Assembly.
- **Academic Health Centres Act, 86 of 1993 (To be repealed by the National Health Act)**  
Provides for the establishment, management and operation of academic health centres.
- **Human Tissue Act, 65 of 1983 (To be repealed by the National Health Act)**  
Provides for the administration of matters pertaining to human tissue.
- **Traditional Health Practitioners Act, 25 of 2004**  
Regulates the practice and conduct of traditional health practitioners.

### 1.3.2 Other legislation in terms of which the Department operates

- **Public Finance Management Act, 1 of 1999**  
Provides for the administration of State funds by functionaries, their responsibilities and incidental matters.
- **The Division of Revenue Act, 7 of 2003**  
Provides for the manner in which revenue generated may be disbursed.

- **Labour Relations Act, 66 of 1995**  
Provides for the law governing labour relations and incidental matters.
- **Basic Conditions of Employment Act, 75 of 1997**  
Provides for the minimum conditions of employment that employers must comply with in their workplaces.
- **Intergovernmental Fiscal Relations Act, 97 of 1997**  
Provides for the manner of harmonisation of financial relations between the various spheres of government, and incidental matters.
- **National Road Traffic Act, 93 of 1996**  
To provide for road traffic matters and incidental matters.
- **Public Service Act, Proclamation 103 of 1994**  
Provides for the administration of the public in its national and provincial spheres, as well as provides for the powers of ministers to hire and fire.
- **Promotion of Administrative Justice Act, 3 of 2000**  
Amplifies the constitutional provisions pertaining to Administrative law by codifying it.
- **Promotion of Access to Information Act, 2 of 2000**  
Amplifies the constitutional provision pertaining to accessing information under the control of various bodies.
- **Occupational Health and Safety Act, 85 of 1993**  
Provides for the requirements that employers must comply with in order to create a safe working environment for employees in the workplace.
- **The Division of Revenue Act, 7 of 2003**  
Provides for the manner in which revenue generated may be disbursed.
- **Skills Development Act, 97 of 1998**  
Provides for the measures that employers are required to take improve the levels of skill of employees in workplaces.
- **Preferential Procurement Policy Framework Act, 5 of 2000**  
Provides for the implementation of the policy on preferential procurement pertaining to historically disadvantaged entrepreneurs.
- **Employment Equity Act, 55 of 1998**  
Provides for the measures that must be put into operation in the workplace in order to eliminate discrimination and promote affirmative action.
- **State Information Technology Act, 88 of 1998**  
Provides for the creation and administration of an institution responsible for the State's information technology system.
- **Child Care Act, 74 of 1983**  
Provides for the protection of the rights and well being of children.
- **The Competition Act, 89 of 1998**  
Provides for the regulation of permissible competitive behaviour, regulation of mergers of companies and matters related thereto.
- **The Copyright Act, 98 of 1998**  
Provides for the protection of intellectual property of a literary, artistic musical nature that is reduced to writing.
- **The Patents Act, 57 of 1978**  
Provides for the protection of inventions including the gadgets and chemical processes.

- **The Merchandise Marks Act, 17 of 1941**  
Provides for the covering and marking of merchandise, and incidental matters.
- **Trade Marks Act, 194 of 1993**  
Provides for the registration of, certification and collective trademarks and matters incidental thereto.
- **Designs Act, 195 of 1993**  
Provides for the registration of designs and matters incidental thereto.
- **Promotion of Equality and the Prevention of Unfair Discrimination Act, 4 of 2000**  
Provides for the further amplification of the constitutional principles of equality and elimination of unfair discrimination.
- **State Liability Act, 20 of 1957**  
Provides for the circumstances under the State attracts legal liability.
- **Broad Based Black Economic Empowerment Act, 53 of 2003**  
Provides for the promotion of black economic empowerment in the manner that the State awards contracts for services to be rendered, and incidental matters.
- **Unemployment Insurance Contributions Act, 4 of 2002**  
Provides for the statutory deduction that employers are required to make on the salaries of employees.
- **Public Finance Management Act, 1 of 1999**  
Provides for the administration of State funds by functionaries, their responsibilities and the incidental matters.
- **Protected Disclosures Act, 26 of 2000**  
Provides for the protection of whistle-blowers in the fight against corruption.
- **Control of Access to Public Premises and Vehicles Act, 53 of 1985**  
Provides for the regulation of individuals entering government premises, and incidental matters.
- **Conventional Penalties Act, 15 of 1962**  
Provides for the enforceability of penal provisions in contracts.
- **Intergovernmental Fiscal Relations Act, 97 of 1997**  
Provides for the manner of harmonisation of financial relations between the various spheres of government, and incidental matters.
- **Public Service Commission Act, 46 of 1997**  
Provides for the amplification of the constitutional principle of accountable governance, and incidental matters.

## 1.4 Situation Analysis

The aim of the Department of Health is to promote the health of all people in South Africa through a caring and effective national health system based on the primary health care approach. The Department provides stewardship to the national health system through policy formulation, development of legislation, providing technical support to provinces, setting of norms and standards and monitoring inter-provincial equity. The brief situation analysis that follows highlights the achievements and challenges of the National Department of Health in the previous planning cycle, and priorities that the Department will seek to address in the 2006/07 to 2008/09 planning period.

## 1.5 Epidemiology and health status

### Child Health

The 2003 SADHS suggests that the infant mortality rate decreased marginally to 43 deaths per 1 000 live

births and that the under five mortality decreased to 58/1 000 live births. In addition, according to routinely collected data on immunisation rates, the immunisation coverage in the country as a whole was 82% in 2004/05. However, it should be noted that this is a national average and that there are health districts in the country that have significantly lower coverage.

The Department extended the implementation of the Integrated Management of Childhood Illnesses (IMCI) Strategy to all 53 health districts during 2004/05. This included both training trainers and increasing the percentage of health workers who manage children who are trained in the IMCI strategy.

During 2005/06, the Department began to develop a monitoring system for tracking the impact of the food fortification programme. The monitoring system is being developed through the Micronutrient Initiative (MI) with a three-year donor funding of R165 million from the Global Alliance for Improving Nutrition (GAIN). The responsibility for monitoring the Food Fortification Programme lies with the Environmental Health Practitioners (EHPs) employed by municipalities. By December 2005, approximately 1 590 of the targeted 1 600 EHPs (99,4%) had undergone training in the monitoring of this programme. Moving into the 2006/07 to 2008/09 planning period, the Department of Health will fast-track the training of Environmental Health Practitioners (EHPs) in the monitoring of the Food Fortification programme.

Progress was also made during 2005/06 toward reducing the impact of genetic disorders and birth defects. Almost 30% of targeted health workers were trained in human genetics in 2005/06. Reporting on birth defects increased from 350 000 births per year in September 2005 to 400 000 births per year in December 2005.

## Maternal and Women's Health

The number of public health facilities that provided Termination of Pregnancy (TOP) services during 2004/05 increased by 10% compared to 2003/04. By December 2005, 50% of health facilities authorised to provide TOP services were providing these services. A seven-year evaluation report on the implementation of the Choice on Termination of Pregnancy Act (CTOP) of 1996 was also produced, focusing on the period 1997-2004. The key findings of the evaluation were that South Africa successfully implemented the CTOP Act, despite many challenges, including legal, management and health systems difficulties. Over a seven-year period, access to TOP had increased annually. A total of 344 477 TOPs were recorded at public health facilities nationally from 1 February 1997 to 31 January 2004. Of this figure, 262 994 TOPs (i.e. 76,35%) had been conducted in the first trimester of pregnancy as recommended. About 81 483 (23,65%) had been conducted in the second trimester of pregnancy. Only 11% of all TOPs services were provided to women under the age of 18 years.

Provision of Vitamin supplementation to infants 0-60 months and post-partum mothers was increased during 2005/06. By December 2005, 72,8% of infants 6-12 months of age; 13,9% of infants aged 13-60 months and 25,8% of post-partum mothers were receiving Vitamin A supplementation.

The Fourth Interim Report from the Confidential Enquiry into Maternal Deaths was finalised in September 2005. The National Committee on Confidential Enquiries into Maternal Deaths (NCCEMD) has completed the second Triennial Report, which will be printed by April 2006.

During 2006/07, the Department will use the findings and recommendations of the NCCEMD reports to strengthen interventions to address the causes of maternal mortality.

## Youth and Adolescent Health

About 10% of health facilities provided youth friendly services in 2004/05. By December 2005, 27 of the 53 health districts (50%) utilised the Youth and Adolescent Health Policy Guidelines.

School health services have also been extended. At present 18 of the 53 health districts (34%) provide phase one school health services, which include assessments of learners for hearing, vision and gross-motor impairments, as well as anthropometric assessments to identify malnutrition. Follow-up of identified problems is done at a primary health care level. KwaZulu-Natal Province has gone beyond the first phase, and is currently implementing phase two of school health services, which includes health education and health promotion visits to schools.

Moving into the 2006/07 planning cycle, the Department will increase the proportion of PHC facilities implementing Youth Friendly Services (YFS) to 60%, and ensure that each of these has at least one health care provider trained in the Comprehensive HIV and AIDS plan.

## Healthy Lifestyles

The National Department of Health undertook a number of Healthy Lifestyles Campaigns during 2005/06. By September 2005, 21 000 community members had participated in these campaigns with more than 2 000 people being screened for eye sight, oral health, blood sugar, blood pressure and body mass index. More than 15 000 community members participated in community health walks.

More than 12 community and school based gardens were established and garden implements were donated. House to-house health education programmes were also conducted. Partnerships on healthy lifestyles were expanded from 15 to 24 partners of the National Department of Health, mainly from the private sector, Non-Governmental Organisations (NGOs) and Community-Based Organisations (CBOs).

The first Move for Health National Workshop was held in September 2005 and drew massive participation from provinces and districts. A national strategy to promote health lifestyles has been developed, and will be implemented and monitored during the period 2006/07-2008/09. Indicators are also being developed with the University of Cape Town to monitor the move for health programme. A healthy lifestyles for Parliamentarians is being developed for implementation commencing in 2006/07.

## Nutrition

The Integrated Nutrition Programme (INP) which includes youth nutrition, was extended to all 53 health districts during 2004/05. Furthermore, by June 2005, all nine provinces had submitted to the Department nationally approved business plans for the INP. By December 2005, all 21 nodal points (13 rural and eight urban) were implementing services to strengthen the INP.

During 2003/04, the Department developed guidelines for nutritional supplementation for people living with HIV and AIDS and other debilitating conditions. In 2004/05, nutrition supplements to the value of R7 million were procured and provided in a targeted manner to people living with HIV and AIDS, and TB. By December 2005, 329 278 people eligible for nutritional supplementation were assisted. In addition in March 2005, Food-based Dietary Guidelines were finalised and distributed.

## HIV and AIDS and Sexually Transmitted Infections

The Comprehensive Plan for HIV and AIDS Care, Management and Treatment entered its third year of implementation in 2005/06, having started in 2003/04. There are now 192 sites nation-wide. All 53 districts now have home/community based care programmes, provided by Community Care-Givers.

Preventive efforts against HIV and AIDS were consolidated during the reporting period. Condom distribution increased from 270 million male condoms in 2002/03 to 302 million in 2003/04, and over 340 million in 2004/05 and over 30 million each month during 2005/06. More than one million female condoms have been consistently distributed since 2001/02. Studies indicate that the use of condoms has increased among young people, suggesting steady progress towards responsible sexual behaviour. During the 2006/07 to 2008/09 planning cycle, 450 million male and three million female condoms will be purchased and distributed.

By December 2005, 77% of public health facilities were offering Prevention of Mother to Child Transmission services (PMTCT). This is almost double the 41% of facilities that offered PMTCT in 2003/04. Also by December 2005, 88% of public health facilities were providing Voluntary Counselling and Testing services (VCT), which marks an improvement from 2003/04, when 64% of facilities offered these services. VCT and PMTCT will be expanded to 100% of public health facilities in the 2006/07 planning cycle. The Department will also develop a system to assess the impact of the PMTCT programme.

The WHO/AFRO Regional Committee meeting held in 2005 declared 2006 as the year of accelerated prevention of HIV. The strategy adopted by South Africa for 2006/07 and beyond will include intersectoral and health related aspects as the two major components of the accelerated plan. Intersectoral aspects will entail placing greater focus on the promotion of development, the alleviation of poverty and strengthening strategies to address gender inequities. The health aspects will encompass strengthening social mobilisation, including a greater focus on the youth; expanding treatment of sexually transmitted diseases, including the treatment of genital herpes; offering group counselling in addition to individual counselling and increasing access to female condoms.

## Tuberculosis

Despite efforts to strengthen the TB control programme, the burden of disease from TB continues to rise. The national TB cure rate for 2004 was 56,7%.

Efforts to counter this increase focused on improving the Directly Observed Treatment, Short Course (DOTS) programme as well as integration of the HIV and TB programmes. A significant proportion of TB patients who were offered VCT accepted testing. During 2006/07 to 2008/09 all provinces will be supported to develop a high level plan to curb TB in line with the recommendations of the national TB review conducted during 2005. Strategies will be developed to reduce treatment interruption, improve the quality of the DOTS programme, assist districts to develop supervision and monitoring systems for community DOTS, implement the TB and HIV package of care, and strengthen laboratory services, amongst others.

In addition to strengthening the National TB Control Programme as suggested above, the Department has also developed a TB crisis plan, in line with the WHO/AFRO decision, which will focus on the two worst performing provinces, namely KwaZulu-Natal and the Eastern Cape Province. In addition, four of the worst performing health districts will be targeted for urgent intervention by teams made up of national, provincial and district officials commencing in February 2006. The aim of these interventions is to increase the smear conversion rate in the short term by at least 10% and the cure rates in the medium term in these districts and provinces by the same margin.

## Malaria

The implementation of the roll back malaria strategy was strengthened during 2004/05. The total number of malaria cases reported during 2004 was 13 399 with 89 deaths. In 2005, a total of 7 254 malaria cases and 55 deaths were reported. Between 2004 and 2005, there has been a 46% reduction in the number of malaria cases and a 38% reduction in the number of deaths. Coverage with indoor residual spraying increased to 83% during 2004/05, and is set to increase further to 90% during 2006/07. The decline in the number of malaria cases as well as fatalities is due to increase in the number of houses covered by the in-door residual spraying programme, decrease in the amount of rain in 2005 in the endemic areas as well as improved collaboration with neighbouring countries.

Although there has been a remarkable decline in the number of malaria deaths, the case fatality rate remains above the national target of 0,5%. Multiple factors contribute to this, such as imported malaria cases in cross-border areas, delayed presentation and case management challenges at health facility level. All the malaria endemic provinces are now using the more effective artesunate based combination therapy for malaria which should assist in reducing case fatality further.

## Non-Communicable Diseases

A generic strategy for monitoring and evaluating the use of guidelines for priority non-communicable diseases (hypertension, diabetes, asthma, epilepsy and obesity) was developed during 2005/06. IEC material was also developed for various types of cancers listed in the National Cancer Registry.

Great strides were made towards improving the accessibility of all health care facilities to persons with disabilities. A total of 94 facilities in the Eastern Cape Province were assessed for accessibility to people with disabilities. More public sector facilities across provinces will be assessed in 2006/07. In addition, a national database for wheelchairs and hearing aids was set up in 2005/06. This followed the elimination of the wheelchair backlog in 2004/05.

Much progress was made during 2005/06 towards strengthening support systems for health care delivery. Sustainable systems to ensure an adequate supply of safe blood for patients were developed. A non-discriminatory risk model for the South African National Blood Transfusion Services (SANBTS) was finalised.

During 2005/06, the Department provided funding for the National Institute of Communicable Diseases (NICD) to commission a TB Reference Laboratory, which will be at Bio-Safety Level (BSL) 3. The commissioning process will be completed in 2006/07. A BSL 4 Laboratory will also be commissioned in 2006/07.

The integration of laboratories in KwaZulu-Natal Province into the NHLS has proceeded slower than anticipated. This process will be accelerated during 2006.

The transfer of medico-legal mortuaries from the South African Police Services to Provincial Departments of Health has been approved and will commence on 1 April 2006.

## Human Resources for Health

The WHO has declared 2006 the year of Human Resources for Health. This coincides with the completion of the National Human Resources (HR) Plan for Health, which will be launched on 7 April 2006. The HR Plan will build on the HR Strategic Framework produced and disseminated by the Department during 2005. The Department will also assist Provinces to develop their own HR Plans, in compliance with the National Health Act (2003). The Act requires the production of human resources plans by both the National and Provincial Departments of Health, as well as by health districts.

The development of the HR Strategic Framework highlighted the need to increase the number of health professionals that the public health sector is able to train, recruit and retain, and to ensure that those who provide health services have the necessary skills and the compassion needed to care for the sick.

Strides were also made toward finalising the scopes of practices for mid-level workers and other health professionals. A team established to develop a curriculum for medical assistants completed its consultations with key stakeholders and it is anticipated that first intake of students to train as medical assistants will be in 2007. This cadre will supplement the work of medical officers and work under their supervision.

The Department's expanded community care-giver (CCG) programme is intended to strengthen community and home-based care. In collaboration with the Department of Social Development a new policy on community care givers has been adopted to harmonise the efforts of the two departments with respect to home and community-based care.

### Provision of safe and affordable pharmaceuticals

During 2005, the Department continued with the provision of safe and affordable medicines to users of both public and private health facilities. Progress was made towards a transparent pricing system, with the IT specifications for a medicines price database finalised in June 2005. With regard to reviewing the dispensing fee, the Department is working with stakeholders to conclude the review and to make a determination in line with the judgement by the courts.

The licensing of distributors, manufacturers and wholesalers was also fast-tracked. By September 2005, the Department had inspected 90 wholesalers and licensed 65 of them. A further 178 manufacturers, importers and exporters were inspected and licensed during this period.

The regulation and control of clinical trials was also strengthened in the past year. About 60 applications for clinical trials per cycle were received by the Department during 2005, and the approval rate increased to 85% (300 applications for 2005 were approved). The registration process of generic products was streamlined and Standardised Package Inserts (SPIs) for all chemical entities were developed.

### Improving the delivery of Primary Health Care (PHC), Emergency Medical Services (EMS) and Hospital Services

The district health system, which is the vehicle for the provision of Primary Health Care (PHC), was strengthened during 2005/06. Key to this was the need to clearly define the roles of provinces and municipalities with respect to service delivery and to ensure that where needed functional integration was achieved so that patients experienced seamless access to PHC services regardless of which authority provided the service.

District Health Planning (DHP) guidelines and their implementation were also revised to strengthen PHC services through a more systematic planning process, and by improving the implementation of plans and the monitoring of service delivery. Most health districts provide the full basket of PHC services but the challenge is to ensure that this also is a feature of all health sub-districts. Furthermore, use of primary health care services has increased from 67 021 961 visits per year in 1998 to 98 633 210 visits in 2005 according to data from the District Health Information System (DHIS).

The hospital revitalisation programme entered its fourth year of implementation in 2004/05, and produced four new hospitals during the financial year. These are hospitals in Mpumalanga (one), the Northern Cape (two) and North West Province (one). The hospital revitalisation programme clearly demonstrated that improving physical infrastructure is important both to the provision of quality health services to patients and to creating an optimal environment for health personnel to function effectively. The programme will be significantly expanded in over the next three years with 45 additional hospitals being enrolled into the programme.

Plans for modernising specialist tertiary hospital services were finalised by the Department and adopted by Cabinet during 2004/05. Moving into the 2006 MTEF period, a detailed implementation plan for the Modernisation of Tertiary Services will be developed.

During 2006/07, in a further attempt to improve the functioning of hospitals, hospital improvement plans for each province and hospital will be developed, implemented and monitored. Key components of these plans include a focus on the basics, including keeping hospitals clean, improving basic maintenance, further delegations to hospital managers, performance management of staff, improved training for hospital managers and implementation of the policy on infection control.

The National Department of Health will support provinces to accelerate the delegation of authority to hospital managers to ensure effective and speedy decision-making at hospital level. In conjunction with the University of KwaZulu-Natal, the Department will run a hospital management course for hospital managers in 2006/07.

Over the MTEF period, the Department will also support provinces to implement the national disaster management policy, strengthen Emergency Medical Services ambulance system with shorter response times, improve the information system and accelerate the training of EMS practitioners.

## Health Legislation

Much progress has been made in the area of health legislation. Eight of the 11 bills that we envisaged to be passed were passed in 2004/05. This marks a 100% increase from 2003/04, where only four bills were processed up to parliamentary level. Delays in various parts of the system have resulted in three draft bills not been finalised during the financial year. A key achievement has been the proclamation of the National Health Act (NHA) of 2003, which will replace the Health Act of 1977.

Furthermore, during 2004/05 both the Pretoria High Court and the Constitutional Court upheld the right of government to license health professionals to dispense medicines as contemplated in the legislation.

The implementation of Mental Health Care Act (2002), which provides a rights-based framework for the care of patients with mental health problems, has been slower than expected due to resource constraints. Some provinces have been unable to muster the resources required, for instance, to set up Mental Health Review Boards. This will be addressed during 2006/07. In addition, six new pieces of legislation will be tabled before Parliament in 2006/07 namely, the *Tobacco Products Control Amendment Bill*; *Health Professionals Amendment Bill*; *Medicines and Related Substances Amendment Bill*; *Allied Health Profession Amendment Bill*; *Pharmacy Amendment Bill* and the *Medical Research Council Amendment Bill*.

## Health Financing Issues

Significant progress was made in the development of the Health Charter during 2005/06, with both the public and private sectors, and other stakeholders, working jointly through the various stages of development of the Charter. The Charter aims to improve access, equity and quality of health services and promote broad based black economic empowerment.

The implementation of the Risk Equalisation Fund (REF) will commence in 2007. Significant work on the REF was undertaken and this budget contains funding for the operationalisation of the infrastructural and organisational requirements of the REF in preparation for implementation in 2007. The Council for Medical Schemes will conduct further research in 2006/07 to finalise the formula and prepare for implementation. Work on the Social Health Insurance (SHI) system will continue in collaboration with National Treasury and focus on the assessment of the fiscal and financial implications of SHI and consideration of options for public financing subsidisation.

## International Health Liaison

The National Department concluded a number of bi- and multi-lateral agreements during 2005/06 and continued to service those agreements signed in previous financial years. The new agreements included those signed with Lesotho, Mozambique and the Seychelles.

The Department also participated in a number of regional and international meetings for example, meeting with representatives of the WTO Intellectual Property Commission, participation in the WTO workshop organised by the AU, meeting with Ministers from India and Brazil (IBSA), participation in the IBSA seminar on economic development and social equity and participation in the SADC Ministerial workshop on traditional

medicine programme.

The NEPAD Health Strategy was formulated and approved by the African Health Ministers and Heads of State, for implementation at country, regional and continental level. Its strength lies in facilitating the inclusion of regional and international health goals such as the Millennium Development Goals into National Health Plans.

NEPAD Coordination in the National Department of Health was strengthened in June 2005 to foster better coordination between the Clusters of the Department, provinces and health districts. The NEPAD programme facilitates the implementation of SADC and AU health related programmes and activities.

## 1.6 Conclusion

Numerous achievements were recorded by the National Department of Health in the previous planning period in pursuit of the NHS priorities for 2004-2009.

Moving into the 2006/07 to 2008/09 planning and budgeting period, the National Department of Health is faced with many challenges including accelerating the production, recruitment and retention of the workforce needed to provide a quality health service; strengthening Emergency Medical Services (EMS) nationally to decrease response times, development of a Patient Information System; improving the delivery of PHC services in all districts, particularly in the 21 Presidential nodes; enhancing the quality of data from various routine systems including the District Health Information System (DHIS); enhancing quality of care at all levels of the health system; inclusion of at least one psychiatric hospital per province in the revitalisation project; combating the triple burden of diseases associated with the epidemiological transition the country is undergoing namely, communicable diseases associated with poverty, non-communicable diseases associated with lifestyles and trauma and violence.

For the period 2006/07-2008/09, the National Health Council has decided on the following priorities for the National Health System:

- Development of service transformation plans;
- Strengthening of human resources;
- Strengthening physical infrastructure;
- Improving quality of care; and
- Strengthening priority health programmes (with a key focus on promoting healthy lifestyles, implementing the TB crisis plan and the accelerated prevention of HIV).

In addition to these priorities, the Department will continue with interventions to curb the impact of both communicable diseases and non-communicable illnesses, in keeping with the *Strategic Priorities of the National Health System 2004-2009*.