



2. INTRODUCTION BY THE DIRECTOR-GENERAL

The National Department of Health's annual report for 2008/09 sets out the performance of the department against its strategic plan for 2008/09-2010/11.

For the period under review, the National Health Council (NHC) consisting of the minister and the nine provincial MECs, adopted the following eight priorities for the National Health System (NHS): Strengthening health programmes, improving quality care through the development and implementation of health facility improvement plans, development of an Integrated National Health Information System, strengthening health financing, achieving further reduction in the prices of medicine and pharmaceutical products, strengthening human resources for health, strengthening international health relations and improving management and communication.

These NHS priorities were included in the *Strategic Plan of the National Department of Health* for the reporting period, the *Annual National Health Plan for 2008/09*, as well as the *Estimates of National Expenditure (ENE) for 2008/09*.

HIGHLIGHTS OF THE DEPARTMENT'S ACHIEVEMENTS IN 2008/09

Strengthening health programmes

Significant strides were made in 2008/09 to combat both communicable and non-communicable diseases (NCDs) prevalent in the country, through strengthened health programmes.

The department continued to implement the *National Strategic Plan (NSP) for HIV and AIDS 2007-2011*, as well as the *Comprehensive Plan for HIV and AIDS Care, Management and Treatment*. The South African National AIDS Council (SANAC) continued to provide oversight in the implementation of the NSP 2007-2011.

Prevention was the mainstay of the department's efforts to combat HIV and AIDS. A total of 96% of public health facilities offered voluntary counselling and testing (VCT) services, and 95% of public health facilities provided prevention of mother-to-child transmission (PMTCT) services, against a target for 100%. However, the low uptake of VCT remained a key challenge. Access to antiretroviral treatment for people living with HIV and AIDS was also expanded. By the end of April 2009, a cumulative total of 781 465 patients had been initiated on antiretroviral therapy (ART), compared to 483 084 by April 2008. This represents a 38,2% increase.

As indicated by the minister, the management and control of tuberculosis also reflected positive outcomes, with the TB cure rate increasing to 64% in 2007. The department is conscious of the fact that this is still distant from the 85% TB cure rate that the World Health Organisation (WHO) encourages countries to strive towards. However, steady progress is being made. A total of 6 441 health personnel were trained in the clinical management of TB, and all patients with XDR-TB and MDR-TB were initiated on treatment.

The management and control of malaria in South Africa has been recognised internationally as one of the key areas of success of the public health sector. A 29,5 % decrease in malaria cases was achieved between 2007/08 and

2008/09, which exceeded the 2008/09 target of 10%. Malaria cases decreased from 8 743 in 2007/08 to 6 167 in 2008/09. The case fatality rate also decreased from 0,8 in 2007/2008 to 0,6 in 2008/2009. The number of malaria deaths declined from 68 in 2007/2008 to 40 deaths in 2008/2009.

The department also maintained its focus on non-communicable diseases (NCDs). Support was provided to provinces to monitor the implementation of the guidelines on the management of NCDs. An implementation plan for the *Diabetes Declaration* that was adopted at the 19th World Diabetes Congress held in Cape Town in 2007, was produced.

Improving quality care through the development and implementation of health facility improvement plans

During 2008/09, the department published national core standards, and a system for ensuring compliance. Appraisals of 27 priority hospitals against these standards were conducted by national teams between June and August 2008, and the results informed the development of health facility improvement plans for each hospital. Supportive facilitation was provided to these facilities by the national and provincial health departments, as well as health districts. The nature of the support provided aimed at assisting facilities to focus on achieving results to turn around specific problems in the short term, thus building their capacity to improve quality in the long term. Useful lessons were generated during this process, which will be carried forward into the new financial year.

Implementation of an Integrated National Health Information System

During the reporting period, the performance of the health system continued to be monitored through the District Health Information System (DHIS). Quarterly reviews of the performance of the national and provincial health departments against their strategic and annual performance plans were conducted, based on DHIS data. A national process of reviewing and refining the key indicators in the National Indicator Data Set (NIDS) commenced. Data comprehensiveness and reliability have improved steadily and significantly since the establishment of the DHIS. Key challenges faced by the health system included inadequate infrastructure and personnel for strengthening health information systems at all levels of the health system, especially at primary care level. As it will be reflected later, only 186 hospitals appointed dedicated information officers during the reporting period, against a target of 286.

Relevant documentation for the start-up phase of the Electronic Health Record for South Africa (eHR.ZA) was finalised with the State Information Technology Agency (SITA) and the SITA Board. The start-up phase will commence in the new financial year. The development of the Health Professionals Information Management System, also known as Human Resources for Health (HRH) Database, continued during the reporting period. Consultations were conducted with internal and external stakeholders. These included the health professions councils such as the South African Nursing Council (SANC), the Health Professions Council of South Africa (HPCSA), the South African Pharmacy Council and the South African Dental Council, as custodians of information on health professionals located in both the public and private sectors.

Strengthening health financing, including designing the National Health Insurance System and reducing the rate of increase of tariffs in the private health care sector

The broad objective of pursuing a National Health Insurance (NHI) System is to put into place the necessary funding and health service delivery mechanisms that will enable the creation of an efficient, equitable and sustainable health system in South Africa. Technical work for the NHI was completed in 2008/09. The next steps will include the developing of NHI policy and legislation, and the creation of an appropriate unit within the department to steer the implementation of the NHI.

Achieving further reduction in the prices of medicine and pharmaceuticals

During the reporting period, the department concluded a benchmarking exercise comparing prices of medicines and pharmaceutical products in South Africa against countries such as Australia, Canada, New Zealand and Spain, which have a similar regulatory framework for medicines, including a Medicines Control Council (MCC) and respect for intellectual property rights. Based on the benchmarking results, the pricing committee finalised and submitted its recommendations on medicine pricing to the minister in 2008. The recommendations were published in a *Government Gazette* in August 2008, with a time frame of 30 days provided for stakeholders to respond. Implementation of these recommendations would potentially reduce medicine prices by 30% and result in a net saving of about R1 billion. However, this process also encountered legal challenges initiated by the pharmaceutical industry.

The department also contributed to the development of the African Union (AU) Pharmaceutical Manufacturing Plan,

with the view that the South Africa would be one of the locii. A draft policy on African traditional medicine (ATM) was produced. The ATM policy was published in the *Government Gazette No 31271* on 25 July 2008 for comment within three months from the date of publication. The deadline for comment was 24 October 2008. Following this, the department incorporated the feedback received into the revised ATM Policy. A workshop for traditional health practitioners was also conducted to enable them to contribute to the development of the ATM policy.

Strengthening human resources for health

As indicated by the minister, policy proposals for the implementation of the Occupation Specific Dispensation (OSD) for doctors, dentists, pharmacists and EMS personnel were finalised, but funding issues remained unresolved. The department continued its discussions with National Treasury about the provision of additional resources for OSD, including funding for the deficit that occurred during the implementation of OSD for nurses. What is of greater importance however, is the sustainable availability of resources to sustain the implementation of OSD for key categories of health professionals into the future.

Progress was also made toward the development of mid-level workers. A total of 100 clinical associate students were enrolled at three institutions namely, Walter Sisulu University, University of Pretoria and University of Witwatersrand, as the first cohort for this programme. This exceeded the 2008/09 target of enrolling 36 students.

Strengthening international health relations

The department continued to provide support to the African Union (AU) in the implementation of its bureau priorities during the reporting period. The department provided support to the African Union (AU) to ensure a wider dissemination of the *Africa Health Strategy*, which was adopted at the 3rd Conference of African Health Ministers (CAHM 3) held in Johannesburg in April 2007. The department printed copies and produced compact discs of the *Africa Health Strategy* in English, French and Portuguese, which were distributed to 53 African Union member states.

The department also facilitated the development of the *Framework for the Implementation of the African Health Strategy*, as well as the *Implementation Plan of the Africa Health Strategy*. This implementation plan was approved by AU ministers of health at the World Health Assembly in Geneva on 17 May 2008, and also endorsed by the AU Summit in June 2008.

The department facilitated the development and signing of agreements on health matters between South Africa and various countries in the South African Development Community (SADC) region and in the continent broadly. Agreements were signed with: Namibia (August 2008), the Cameroon (3 September 2008), Burundi (16 September 2008) and Malawi (12 February 2009). In collaboration with the WHO, UNICEF and UNFPA, South Africa hosted the AU Continental Workshop on Maternal, Neonatal and Child Mortality Reviews in April 2008. At this workshop, Africa's Movement to Improve Maternal Health and Promote Child Survival and Development in Africa beyond 2015 was launched.

In November 2008, the department also hosted the 3rd Session of the Conference of the Parties to the WHO Framework on Tobacco Control Convention (COP3).

As discussed in detail later in this annual report, support was also provided to countries involved in post-conflict reconstruction. Following the signing of the agreement on health matters between South Africa and Burundi, a draft programme of action with Burundi was finalised and sent to Burundi for their final comments. South Africa assisted the Democratic Republic of Congo to address the following health issues: maternal, women, and child's health and nutrition; management of MDR-TB and XDR-TB; research colloquium on African traditional medicines; hospital services and core standards and malaria control. The agreement between South Africa and Sudan was finalised and is anticipated to be signed in 2009/10.

Strengthening management and communication

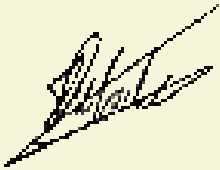
During the reporting period, the department produced a documented communication strategy that outlines its modalities for interaction with its key stakeholders. The key objectives of the strategy are to provide an avenue for interacting with and receiving feedback from stakeholders, and to inform the public about key health issues. A National Consultative Health Forum (NCHF) was held in April 2008, which drew multitudes of participants from diverse sectors including non-governmental organisations (NGOs), community-based organisations (CBOs), academic institutions, the religious sector and other formations.

However, fewer ministerial Izimbizo were held in 2008/09. These are platforms where communities interact directly with the minister, raise health related issues directly, including concerns and compliments.

As the foregoing account suggests, the department made progress towards the key priorities for the 2008/09 financial year. There are also diverse areas where limited progress was made. In addition to the under-funding of the health sector, other key challenges experienced by the health sector included: the triple burden of disease (communicable diseases, non-communicable diseases, injuries and trauma); impact of social determinants of health and insufficient human resources for health (clinical and management levels).

Despite these challenges the department will continue to ensure the provision of accessible, and high quality health services to the people of South Africa. The support of the two former ministers of health during 2008/09, Dr ME Tshabalala-Msimang, and Ms B Hogan, is acknowledged with gratitude.

The leadership and guidance of the Minister of Health, Honourable Dr A Motsoaledi, is deeply appreciated.



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DIRECTOR-GENERAL: HEALTH
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