

## **Heath SOEs not capacitated**

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The provision of essential health services is the core responsibility of the Department of Health. These services are crucial to the health and quality of life of our people.

However, the Departments mandate is severely impeded by tight budgets and additional fiscal pressure brought on by the pandemic. This is pressure however, that can be mitigated by implementing mechanisms to rule out corruption in the Department.

The implications of PPE corruption results in poor service delivery, poor delivery of quality PPE, massive staff vacancies and loss of healthcare professionals' lives!

The AG report brings to light what we already know, with major issues being attributed to an inefficient budget:

Firstly, financial processes are not being followed, procurement is riddled with mismanagement and non-compliance leading to payments of higher prices for PPE, poor quality control, late deliveries, irregular expenditures, irregular payments to service providers and alleged financial irregularities in awarding of Covid-19 tenders.

Even though the PFMA and the National Treasury Instruction 1 of 2015/2016 states the rules for procurement in terms of what must be published, for how long, and who gets the tender and those who did not, this is not being done. A major contributor to procurement failures and high corruption costs is government's inability or lack of political will to monitor these processes, as is stipulated by legislation.

We have currently R13.3 billion under investigation and e- tender or provincial portals do not follow what was stated in the above law and instruction. In the E-tender site 46% of unsuccessful bidders were not published. This means the public cannot compare the prices to ensure the best possible company was awarded the deal. In the North West only 46 of tenders from 2018-2020 were published. There is a clear lack of transparency in government procurement processes and that is why we have seen such high corruption.

With regards to health entities, The Financial and Fiscal Commission have highlighted their grim state:

Firstly, The Office of Health Standards Compliance (OHSC) is mandated to monitor and enforce compliance by health establishments with prescribed norms and standards. Due to budget constraints, the OHSC have announced their projected target for 2021, being a mere 8%. Monitoring norms and standards is crucial for quality control and in the healthcare system this could mean life and death!

With regards to the Council for Medical Scheme, the entity is riddled with vacant posts and have run out of money.

SAHPRA cannot get through their application backlogs due to human resource shortages and in October 2019 there was a proclamation of an SIU investigation on alleged serious maladministration in connection with the affairs of SAHPRA.

And the National Health Laboratories Services are not adequately equipped with some laboratories not having necessary resources for proper functioning. This is in addition to reports of irregular payments to service providers with regard to the procurement of PPE in the NHLS, and an SIU investigation for alleged financial irregularities in awarding R170 million worth of Covid- 19 tenders as well as alleged R113 million worth of fraud and theft from the NHLS alone.

How can we ensure the NHI will be free from fraud and corruption and ensure quality healthcare when we cannot currently function properly?

Minister in order for the Department to provide efficient health services, major budget cuts in this sector is worrisome.

The Department must engage with Treasury to ensure that adequate funding is allocated for the entities to function properly and effectively execute their mandate.

We still need to procure and administer much more vaccines in order to reach population immunity!

Minister the DA has solutions for you:

1. Create a minimum compliance and policy framework that tender reporting must abide by.
2. Create an independent regulatory body to ensure that due processes are followed.
3. Ensure the proper implementation of the National Treasury Instruction 1 of 2015/2016.

Minister insufficient budget means a non- efficient health system.

Corruption in the Department leads to unnecessary death!

We need a capable state with political leadership that will attend to this crisis now!

Loss of time - leads to Loss of precious Life