

# The progress towards achieving universal health coverage needs to remain on track

By [Ahmed Banderker](#), 20 Mar 2023

As finance minister Enoch Godongwana took to the podium for this year's budget address I knew healthcare would not take centre stage. The minister had to contend with a multitude of issues, chief among them being the worst energy crisis our nation has ever faced.



Source: [Pexels](#)

Yet it was encouraging to see a few healthcare touchpoints worked into his address. But more than that, the full budget report illustrates continued budgetary support for government's health policy direction. Godongwana touched on essential points poignant in our nation's struggle against a severely constrained healthcare sector.

We all know public healthcare has been struggling to keep up with infrastructure decay, capacity issues and skills shortages. It is optimistic that this fund allocation will help address service backlogs and alleviate critical funding pressures in healthcare personnel, medicine, laboratory services, medical supplies and other vital goods and services.

Though vacant posts in noncritical areas will not be filled in most cases, government intends to recruit and retain personnel in key areas such as healthcare, education and peace and security, mainly through the allocation of additional funding.

An amount of R2.2bn over the medium term is allocated to the direct national health insurance grant for provincial health departments to the contract health professionals and healthcare services including primary healthcare doctors, oncology services and mental-health services.

## **NHI indirect grant**

The department also manages the national health insurance indirect grant, which has three components and a budget of R6.9bn over the medium term:

- The non-personal services component of R2bn over the next three years supports activities aimed at strengthening the health system, such as health information systems, quality improvement initiatives and the dispensing and distribution of chronic medicines.
- The personal services component is allocated R299.9m over the medium-term expenditure framework (MTEF) period and is aimed at piloting the establishment of contracting units for primary care through which public and private healthcare providers will be contracted.
- The third component of the grant, which seeks to revitalise health facilities, falls within the department's infrastructure interventions.



NHI

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I'm pleased to see the additional commitment to help provinces deal with the accumulated backlog in core health services such as surgery, oncology, antiretroviral treatment and tuberculosis screening and treatment that resulted from disruptions to routine healthcare services due to the pandemic.

The Budget Review shows that healthcare functions have been allocated an additional R23.4bn over the next four years. That is R7.5bn in 2023/24, R7.8bn in 2024/25 and R8.1bn in 2025/26. However, the backlog and shortfall that has marginalised so many South Africans remains. So, what about the National Health Insurance (NHI) elephant in the room?

Last year I commented that the minister never mentioned the NHI in the 2022 budget address. This year the minister followed the same brief, though how could we blame him given the prominence of the energy crisis? In the detailed estimates of the national expenditure released alongside the budget speech, the document mentions that the NHI sub-programmes will increasingly focus on evolving health-financing functions such as user and provider management, healthcare benefits and provider payment, digital health information, and risk identification and fraud management.

“ South Africa: Health Committee Briefed by Parliamentary Legal Service and State Law Advisors on National Health Insurance (NHI) Bill @Parliament\_Ug #Africa #SouthAfrica #Health #HealthInsurance #Bill #Parliament #Law Read more: <https://t.co/fuGHSDs1MD>— APO Group English (@APO\_source) March 15, 2023 ”

Revitalisation of SA's health infrastructure with its shortcomings is the aim of the Hospital Systems programme. A key objective of the programme includes improving the financing and delivery of healthcare infrastructure by March 2026 by constructing or revitalising 58 primary healthcare facilities, constructing or revitalising 50 hospitals, and maintaining, repairing and/or refurbishing 600 public-health facilities.

To this end, the department plans to invest a projected R26.9bn primarily for health-facility revitalisation, which includes the construction of the 488-bed Limpopo Central Hospital in Polokwane.

This public-private partnership (PPP) project will establish the first central hospital in the province and form part of the academic health complex attached to the University of Limpopo's medical school. The minister announced that the project is shovel ready and that construction of the hospital will finally begin in March this year.

The NHI debate seems to have publicly entered a bit of a lull. However, the immediate needs of national healthcare interests seem to be better served with hospitals and skills, so we should applaud the minister's healthcare priorities.

Even though the energy crisis impacts our nation significantly, I believe the progress towards achieving universal health coverage needs to remain on track. I am hopeful that this can be done given this year's budget address. However, the proof will lie in the actions we see over the course of this new financial year

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