



MINUTES OF MEETING HELD ON 20 NOVEMBER 2012 AT 10:00
Venue: Conference Centre, Lenteguur Hospital.

Present and apologies

Please see the annexure to the minutes for a full list of those present and the apologies tendered.

1. Welcome

Mr. ME Manning, Director of Business Development, Department of Health, Western Cape Government, opened the meeting and welcomed all present.

2. Opening remarks

Mr Manning introduced the Business Development Unit (BDU) team and encouraged all present to liaise with any of the team members. The unit serves as a communication portal between the private sector and the Western Cape Department of Health (WCDOH).

The Mitchell's Plain Hospital is under construction and is expected to be a milestone achievement. On the Lenteguur Hospital premises there was a public private partnership. The forum members were welcome to speak to the BDU staff on these or any other matters.

3. Strategy and ethos of The Health Foundation: Dr J Fisher

The influx of people into the Western Cape seeking medical attention had increased the need for the province to find ways to cater for more people. The large number of patients receiving care for multiple chronic diseases was placing strain on the budget that the WCDOH had. Therefore another method had to be instituted to acquire funds which would help to alleviate this and other pressures on health care provision.

The maintenance of state buildings such as hospitals and clinics is under the authority of the Department of Public Works who are tasked with maintaining many other institutions as well. The Foundation aims to raise funds for the upgrading of health facilities as well as for other interventions which will improve health care in the province.

The Health Foundation is privileged to have a high calibre Board of Directors. Its key advantage lies in that it is independent and would like to position itself in the mind of the

private sector as being so. The Foundation aims to pursue commercial rights for retail businesses in its facilities.

He emphasised the need for the Health Foundation to improve its marketing efforts externally in order to gain support from the private sector so that companies and individuals are motivated to partner with them. Internal marketing efforts would be useful in gaining support from top officials such as CEOs and other government officials.

The Foundation would like to encourage the private sector to link themselves with the Health Foundation by becoming founding partners. These partners would help to raise the R10 million which has been set as the short term objective.

Mutual benefits between the private sector and government are expected to amass from this relationship and the founding partners will accrue benefits which include:

- marketing exposure
- preferred partner status
- exclusivity

The intellectual property of the companies will remain protected. As some private organisations would invest in enterprise development, the Foundation is setting up a suitable trust which would facilitate this.

The success of the Health Foundation depends on these partnerships.

Questions from the floor

1. If substantial amounts of capital are raised by the Foundation, is there a possibility that the National Government may reduce the budget for the WCDOH?
2. Will the Health Foundation be involved in buying and selling shares on a commercial platform?
3. Has the Health Foundation considered addressing the issue of investment in education of nurses, therapists and other healthcare givers?

Responses

1. Dr Fisher assured all present that the National Budget for the WCDOH would not be affected by the amount of capital generated through the Foundation as the Foundation is an independent entity. The Minister explained that provincial budgets are calculated according to specific norms and are gazetted in the Division of Revenue Act: as these budget amounts have been legislated, they cannot be reduced.
2. The Health Foundation will not be issuing any shares as it is a Not for Profit Organisation (NPO). One of Foundation's aims is to become self-sustaining through various means which could include investments or possibly joint shareholding, but would not include trading in shares. The Foundation will not hold a large capital base as its profits are to be directed towards benefiting the patients of the DoH in the

Western Cape. Mr Manning encouraged all to keep in mind that the Health Foundation is an NPO and would therefore operate as such.

3. The education of healthcare givers is also included in the medium-term goals of the Health Foundation.

4. Provision of vaccines and family planning stock to non-state healthcare providers: Dr K Grammer

The new private provider process to manage contraception and immunization had been constituted as a major part of building strategic partnerships between the private sector and the WCDOH. It has a massive future scope in improving service coverage and ultimately client outcomes.

Dr Grammer stated that a need had arisen for legislative compliance within service provision because of the Auditor General's requirements. Therefore the BDU, District and Provincial Pharmacy Services had been tasked with developing a new policy framework to reform the previous system. These parties had finalised the framework which includes the Memorandum of Understanding (MOU) and Service Level Agreement (SLA) for the provision of vaccinations and family planning services. These new frameworks will help in:

- The standardisation of processes which include ordering, stock management and risk management.
- Addressing issues of coverage and access.
- Managing relationships between the WCDOH and the service providers.

The WCDOH is also taking into consideration the Vision 2020 principles, values and strategic priorities. The strategic framework would help integrate many facets of health care provision. It would be comprehensive because of its application to other health care provision components such as primary healthcare and prevention services.

Proposed timelines have been set for the various phases the project is going to pass through, culminating in implementation on 1 July 2013.

Questions from the floor

1. Why are general practitioners and some other healthcare providers who previously offered this service no longer being provided with relevant supplies by the WCDOH?
2. Is the service going to be available throughout all of Western Cape?
3. Would the Department approve applications from individual pharmacies, or only chains?
4. How often are the contracts going to be renewed and what criteria will be used when renewing the contracts?
5. What are the numbers (headcounts) that will be considered?
6. Will the service providers be required to follow particular clinical protocols when rendering their duties?

7. What are the requirements in terms of capturing and documentation of records?
8. When is the service expected to roll out so that other stakeholders get on board with this programme?
9. Are interested private pharmacies eligible to supply this service?
10. How would the DoH ensure that the current stock users were informed – possibly a large number of workshops would be needed?
11. To what extent had mapping been done of the people to be served, and how would this information be shared?

Responses

1. Those who had previously received supplies would continue to receive stock. The addition of new providers had been halted pending the issue of the Call for Service. Whereas it would be easier to enter into agreements with groups, it did not necessarily follow that every provider in that group would receive approval to enter into the programme. For example, an agreement had been entered into with the Clicks group for the pilot project: but not every Clicks pharmacy would necessarily be utilised in service provision.
2. Dr Grammer explained that the current Call for Service is applicable only in the Metro.
3. The applications will be approved per sub-district depending on the need in each area.
4. The contracts will be renewed every two years.
5. The numbers will depend on the facilities and where they are located but focus has been placed on a drainage area having a head count of $\pm 30\ 000$. There are expectations of also $\pm 5\ 000$ people served per month per public health facility. The numbers will also depend on the level of service being rendered for example Community Health Centres can expect headcounts of $\pm 9\ 000$ per month.
6. The EPI (extended programme on immunisation) is a national standard which would be followed. The family planning regime is limited to the stock available on the government tender. The respective SLA would clarify what type of information would need to be captured and recorded for example stock movement reports and reports on patients seen would certainly need to be recorded.
7. A formal information session on the 12th of December 2012 will bring more clarity on the various issues.
8. It was pointed out that the time frames for the different phases were quite tight, particularly for the completion of the applications, especially at this time of the year when many people went on leave.
9. All interested parties have to apply individually in order to be authorised.
10. The current users of stock would all be informed of the need to participate in the new processes.
11. The mapping of the communities had already been undertaken; this was related to the other services provided by various NGOs; people's movements related to their

place of residence and work had been quantified, and fairly robust data was available.

5. Closing comments: Minister T. Botha

Mr Botha stated that the DOH was keen on meeting its set objectives. Through its patient centred approach, it aimed for everyone to live their lives to their fullest potential. He was proud of the Department's management teams: because of their good management the Department was neither under nor overspending its budget, and had received a clean financial audit for the third consecutive year.

The management teams are continuing to examine methods of cutting costs and of improving revenue streams. The Department had contracted Ernst & Young to perform research in the private sector regarding their interest in participating together with the Department in initiatives which were mutually beneficial, and it had been established that 80% of corporates interviewed were keen to do business with the Department as long as an independent and accountable vehicle was used, such as the Foundation. It was to be noted that of the total CSI investment in the country, 70% had been routed to various public sector bodies in the Western Cape. The Department of Health needed to capture a sizable portion of that. The Department's budget was destined to reduce by 1% over each of the following three years. Nevertheless, the Department would not allow the service to deteriorate: it would stretch the available funds. The Foundation and the private sector could do a great deal to assist.

The Minister thanked Dr Fisher for the work done so far in engaging with potential partners. The Health Foundation is a vehicle whose sole purpose is to invest in WCDOH projects. The WCDOH has no jurisdiction over the Foundation. The minister encouraged the Foundation to also look into expansion of wellness centres and into the backlog currently existing in maintenance of infrastructure, which stood close to R1 billion.

There are 160 capital projects which amount to R8 billion currently underway in the Western Cape Department of Health. Employee numbers in the provincial government have increased in the WCDOH, from 26 000 previously to 30 081 currently.

He challenged stakeholders to come up with innovative ways of commercialising some aspects of health care for example through Health Tourism. He said that one also needed to look at new ways of doing business, and hoped that health facilities could house retail businesses such as restaurants, banks, mobile telephone businesses and others.

Questions from the floor

1. What is the state of bad debts currently faced by the WCDOH?
2. Are we geared to cope with the influx of foreign nationals who are receiving free medical help in the healthcare institutions?

Responses

1. The province's bad debt currently amounts to ±R500 million. This is mostly due to the outstanding Road Accident Fund debt. There was a program to recover this debt: last year the Western Cape received almost 60% of all the Fund's payments from the provinces. Of the medical scheme debt, 90% was recovered within 4 months, and well over 90% was recovered in total.

The Department struggled to recover the debt incurred by unfunded patients: much of this was cyclical, it incurred as people's medical scheme benefits expired. A programme of debt relief was in place, and in the previous year R120 million had been written off.

There was also a smaller amount of debt owing by Correctional Services, with whom the Department had a good relationship. SAPS and SANDF also owed money, as did COID – the Department had difficulty in recovering this: currently there was approximately R12 million owing by them.

2. The foreign nationals' debt constitutes less than R100 000. The WCDOH has stringent measures to ensure that proper channels are followed when dealing with foreign nationals seeking medical attention in the province: but when indigent patients such as refugees seek medical assistance, they have to be assisted.

Closure

Mr Manning encouraged all stakeholders to suggest various topics which they would like discussed in the forthcoming PPHF meetings. He also informed all present about the Body Worlds Exhibition which is currently showcasing at the V & A Waterfront.

The meeting closed at 11:55.

Attendances and apologies

Ministry and the Department of Health	
Minister Theuns Botha	
Ms Hélène Rossouw	
Mr Michael Manning	
Ms Joan du Plessis	
Mr Salie Ahmed-Kathree	
Ms Mandi Bell	
Ms Gillian Gantana	
Ms Keryn Brooker	
Ms Florence Africa	
Ms Nazli Johaardien	
Ms Prominent Choto	
Ms Silibaziso Magwali	
Dr Kathy Grammer	
Ms Heli Moeng	
Dr Krish Vallabhjee	
Ms Yasmina Johnson	
Ms Sheena Ainsbury	
Ms Lammeesa Ismail	
Ms Adri Haywood	
Ms Danneke Noach	
Private Sector and NGOs	
E Adams	Melomed
M Africa	Mediclinic
L Allen	ARCH Actuarial Consulting
C Bartes	Melomed Bellville
A Bayat	Metropolitan Health Risk Managers
Dr K Begg	Pathcare
Dr N Behardien	Clothing Industry Health Care Fund
T Beneke	Essential Health
V Benjamin	Private user of vaccines
C Bezuidenhout	Netcare Kuils River
G Black	PSSA
A Booysen	Ernst & Young
D Collier	Blaauwberg Mother & Child
H Cooper	Omnicare Family Care Centre
C Cramer	The Health Foundation
Dr S Craven	SAMA
N Crookes	Melomed
M Dallah	Webstar Health
N Daniels	Netcare Kuilsriver manager
F Dawsee	Webstar
C de Necker	MSO
D du Plessis	Netcare Christiaan Barnard Hospital
P Eden	Optipharm Pharmacy
T Edgar	Melomed
J Fisher	The Health Foundation
I Fritz	Medicross
A Frontini	MSO
A Good	Lifchoice

D Green	Green West
N Gregory	Pathcare
A Greyling	Panorama Breastfeeding Clinic
H Hanekom	Bellville Melomed
Y Harneker	GVI Oncology
Sr Penny Heath	Essential Health Strand
A Heaton	Netcare Kuils River Hospital
P Heast	Essential Health
C Hibberd	Right to Care
F Hoffman	Proselect Mother and Baby
M Hyslop	Priontex
D Jansen	Medirite
S Jeftha	Dr Vassen's practice
S Latief	EMC
Dr S Lison	SAMA
M Lureman	Medikredit
Sr L MacDonald	Private
J Maimin	ICPA
B Mackay	Sunningdale Pharmacy
L Marais	Alexander Forbes
N Maqungo	LTE Healthcare
T Mayesiko	LTE Healthcare
G Milandri	MRC
A-R Mohamed	ARM Health Centre
Dr H Muller	MediSmart
H Mylne	New Beginnings Baby Clinic
Dr S Naidoo	Emerging Market Healthcare
L Naude	Well Mother & Child Rondebosch Clinic
N Nkasela	Ernst & Young
A Nogantshi	Clicks
R Nortje	Netcare N1 City Hospital
N Ntlombe	Indawo Yethu
K Pedro	Melomed
T Petersen	Life Path Health
E Plaatjies	Melomed
T Pols	SAME Foundation
D Posthumus	MediRite
F Pretorius	Equra Health
C Rhode	Dr D Rhode
L Rontgen	Aptekor
L Roth	Medicross
L Siso	KPMG
M Schultz	LA Health Medical Scheme
E Stanich	Health Systems Technologies
J Storm	Mom's Medical Care
D Storm	Indawo Yethu Construction
C Swart	Netcare Kuils River
Sr M Treu	Storks Nest Netcare Kuils River Hospital
A Turner	Kids Clinic
Sr C Swart	Kuils River Hospital
Prof P Valodia	ICON
L van Rensburg	Carecross Health
A van Wyk	Netcare

Dr S Vassen	GP
A Visser	Netcare N1 City Hospital
T Visser	Medicross
D Willmot	All About Babies
C Willemse	MSO
C Wilson	Netcare Blaauwberg Hospital

Apologies	
Prof KC Househam	Head: Health
Dr R Crous	Chief Director: Rural District Health Services
Ms B Arries	Chief Director; Human Resources
Ms M van Leeuwen	Director: Health Infrastructure Support
Dr T Naledi	Director: Health Impact Assessment
G Andrews	Vibascan
H Brand	Essential Health
Dr M Bruwer	Independent
T Butler	Shoprite
A Camarena	Spectacle World Value Centre
C Collins	Carecross
L Deacon	LDA
H Grundlingh	Red Cross Children's Trust
C Heyns	Medi-Clinic
B de Klerk	Denis
Dr H Loots	Medi-Clinic
Dr M Moodie	Ophthalmological Society of SA
G Nicol	Stellenbosch Hospice
L L Niyonizigiye	
F Ntloko	NRC
M Omar	Medi-Clinic
H Pelsler	Essential Health
J Snethlage	City of Cape Town
A Stewart	Inside Living
A Thomas	Living Hope
K van der Merwe	Spectacle World Value Centre
E van Wyk	Mediclinic
C van Zitters	Aspen
Dr A Wewege	Paediatrican