SUMMARY OF HEALTH NEWS: AUGUST 2013

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AUGUST: FOOD FOR THOUGHT:

AIDS diplomacy SA could turn dread into capital

"South Africa can build foreign policy influence around global health in general and AIDS specifically to regain some of the influence and credibility that we lost due to our diplomatic inconsistencies and the Thabo Mbeki administration's AIDS denialism," writes Pieter Fourie, associate professor political science, Stellenbosch University in *Mail & Guardian*, 29 August.

AIDS diplomacy should be focused on global trade as the link between trade and health, highlighting the new prominence of health within foreign policy. SA should advance its trade agenda with a specific focus on the facilitation of technology transfer and the sharing of research, north-south as well as south-south. **The country should also explore closer ties with Brazil as well as with other emerging middle powers**, and it should seek to align common goals for united global health diplomacy that can be used to improve foreign relations. **SA could also form a consortium of southern states via Brics (Brazil, Russia, India and China and South Africa) or Ibsa (India, Brazil and South Africa) to strengthen AIDS diplomacy. AIDS diplomacy could be beneficial in training and retaining health personnel, and addressing the causes of the unequal global distribution of doctors and (especially) nurses.** This is a critical area for the management of infectious diseases and, at the moment, the global south loses thousands of its medical personnel to the global north. **AIDS diplomacy can be a project of transformation and emancipation for SA, which is in need of a refocused and rejuvenated foreign policy.** AIDS can be used as an issue to consolidate the country's young democracy, and it can work with transnational issue networks to strengthen middle power multilateralism. **"If South Africa can get this right, it has the real potential to turn dread into capital, rather than to default to positions of impotence and blaming outsiders," writes Fourie.**

NHI a tonic for extreme inequality;

Editorial: Mail & Guardian, 9 August; Business Day, 13 August; Mail & Guardian, 20 August 2013

SA's National Health Insurance (NHI) is seen by some as a gift from the middle class to the poorest. But experts argue that everyone is hurt by the stark divisions in the health sector. Some say the NHI is necessary to transform South Africa, currently one of the most unequal societies in the world.

Some believe we should look to countries like Rwanda where, in a matter of years, primary healthcare has been successfully strengthened and a large cadre of community healthcare workers utilised.

Health infrastructure is one of government's priorities as it aims to revamp hospitals and clinics ahead of the implementation of NHI. However, some provincial health departments have been unable to spend their money and others have been riddled with corruption. (Read 1. NHI p2)

Strong public participation, government transparency and a renewed focus on training health professionals are needed to make SA's NHI successful.

In his column, *The Torque*, David Gleason writes**: "It is now clear that the state's attack on the country's health problems is multipronged." He explains:**

1. The Department of Trade and Industry's (dti) introduction of an intellectual property regime is specifically intended to make it **harder for companies to obtain and extend patents**. This will be achieved through an "examination" system - requiring an army of specialists to assess applications - as opposed to the current depository system, in which patents are challenged after being granted. According to Prof. Owen Dean, (intellectual property at Stellenbosch University), nearly all leading economies already use examination systems. **If a patent application has been approved in other countries, why is SA reinventing the wheel?**

   "Refusing to pay people for their intellectual property - their ideas - is theft."

2. **The push for the NHI and the need to access private sector medical aid funds to finance it.** "This government is determined to go on raiding the private sector until the pips squeak. I am afraid to contemplate what happens after that," writes Gleason.

1. NATIONAL HEALTH INSURANCE (NHI) & PUBLIC HEALTH

NHI pilots in North West, Gauteng, Western Cape
Business Report, 5 August; Cape Times, 2 August 2013
North West has made great progress in implementing its NHI pilot project according to an assessment of the readiness to roll out NHI. The Dr Kenneth Kaunda pilot district was 1 of only 4 of the 10 NHI pilot districts in the country that had appointed project managers. It has also managed to fill all 7 posts on district clinical specialists' teams. But the overall score of its inspected primary healthcare facilities this year was 47% and the district had only refurbished two out of five major hospitals.

* **The Gauteng** health department announced that the turnaround strategy implemented last year had resolved some of the challenges while others were at various stages of being resolved.

Chronic care system 'to transform healthcare'
Business Day, 15 August 2013
A new chronic care management system, to be implemented in April 2014 will **allow patients to receive treatment for ailments and chronic diseases during a single session on a single day at a public healthcare facility**. The DoH will also be cooperating with the private sector to assist patients in collecting their medicines on a single day, rather than in multiple sessions on different days. The DoH had finished mapping suitable facilities and pharmacies across SA in order to implement the new system.

Health infrastructure; Public private partnerships; NHI 'not the end' of medical schemes industry
Financial Mail, 16 August; Mail&Guardian 20 August; Business Report, 21 August 2013
Health infrastructure is one of government's priorities as it aims to revamp hospitals and clinics ahead of the implementation of NHI. However, **some provincial health departments have been unable to spend money and others have been riddled with corruption.**

* After more than six years of battling with delays of all kinds, two new Gauteng hospitals might be opening in October. Costs for the 300-bed Zola/Jabulani hospital in Soweto have more than doubled from R334-m to about R700-m; the 760-bed new Natalspruit facility in Vosloorus will now cost R1.7-bn; up from R600-m.

* Health Minister Aaron Motsoaledi has mentioned the building of **a new academic hospital in Polokwane as a teaching facility for a new medical school** at the University of Limpopo in 2015. Plans will also soon be announced for a **new health sciences university in Garankuwa,** which will incorporate Medunsa.

  SA universities are battling with having to train nurses after several nursing colleges were closed. Motsoaledi says his next step is to lobby for the establishment of medical schools at the universities that are due to open in Nelspruit and Kimberley; as well as refurbishing nursing colleges to take the pressure off the universities. Up to 512 000 nurses will have to be produced over the next decade to replace those retiring and leaving the profession to sustain the current ratio. SA produces only 3 200 nurses a year.

* SA has about 39 500 registered medical practitioners, though some may not be practicing. Specialists are even scarcer – 5⁄10 000 people. **Conservative estimates say about 12 500 more doctors are urgently needed** in SA. About 1 300 SA students are in Cuba studying to become doctors.

* **The importance of public private partnerships** was also stressed at the recent Board of Healthcare Funders (BHF) Conference in Cape Town. Western Cape Premier Helen Zille said public-private partnerships were needed to deal with the shortage of health professionals. University of Cape Town's medical school has been successful in the "training of highly specialised doctors": 36 specialists from different departments would be funded over two years at academic hospitals around the country.

* Deputy Director Anban Pillay, head of pricing in the DoH, said the **state was looking to offer free healthcare services to medical aid members in areas where schemes provided limited benefits.** The DoH could look at funding these in the private sector so that **people without medical aid cover could access them from private service providers.** Family planning and other primary healthcare services could be offered in pharmacies. Public hospitals could also be utilised more efficiently by medical scheme members. Due to the complexity of the contracting process, there would be a **national contracting plan and provinces would not contract directly with the medical schemes or private providers**, Pillay said.

* **The introduction of the NHI will not spell an end to the medical schemes industry**, said Deputy Minister Gwen Ramokgopa at the BHF conference. It would also not preclude anyone from continuing to purchase private health cover or buying additional products beyond what the NHI provides. **She said the White Paper on NHI will "soon" be presented to the Cabinet, but declined to name a date.**

2. NEWS ON HIV/AIDS, TB, MALARIA & COMMUNICABLE DISEASES

Early promise for malaria vaccine that mimics bites
AFP, 10 August 2013
A new kind of **malaria vaccine, PfSPZ, that mimics the effect of mosquito bites**, has shown early promise by **offering 100% protection to a dozen human volunteers, according to researchers.** It contains live malaria parasites. There is no vaccine on the market for malaria, which infected some 220-m people in 2010 and killed 660 000 according to the World Health Organisation (WHO).

Another vaccine effort under way is the RTS trial, which in 2012 showed 31% effectiveness in young infants and 56% in older babies and toddlers.

Milestone study probes cancer origin; Redefine outdated cancer terminology; Cancer record is useless

BBC World Service, 15 August; Business Day, 26 August; The Times, 28 August 2013

The US National Cancer Institute (NCI) has called for **a new "21st century" definition of cancer** to stop hundreds of thousands of people worldwide having unnecessary treatment that is often disfiguring and can be fatal. Some local and international doctors support the call, saying it will **help to stem a rising incidence of over-diagnosis and overtreatment of cancer, ironically partly from improved screening and diagnostic technologies. They say it is time to change terminology that is 100 years old.**

Daniel Vorobiof, director of the Sandton Oncology Centre, said more sensitive tests and frequent screening mean more

* According to the latest research **disruptive changes to the genetic code accounted for 97% of the 30 most common cancers.** Finding out what causes the mutations could lead to new treatments. Researchers, led by the Wellcome Trust Sanger Institute used 7 042 samples taken from the 30 most common cancers.

  This also led to identifying several new processes driving the development of cancer.

* **Registry that keeps track of all cancer cases in the country is seven years out of date,** said Dr Samuel Fourie, chairman of the SA Society for Clinical and Radiation Oncologists. Without an effective cancer registry, healthcare planning would come down to guesswork. Dr Elvira Singh, a public health specialist at the National Health Laboratory Service, said that staff had managed to catch up years of data but with the current staff and funding the backlog would still take more than three years to clear.

Home test aims to cut cervical cancer deaths; The vaccine that helps prevent cervical cancer

The Star, 28 August 2013

According a report published by WHO **6 000 SA women are diagnosed with cervical cancer each year, and about half of them die from the disease**. A new home-based Human Papillomavirus (HPV) screening test - the UDoTest - has been developed, providing women with the opportunity to collect their own sample of cervical cells and have it analysed at an accredited pathology lab. The UDoTest costs R699, excluding delivery, and is covered by some medical aid schemes.

* The WHO predicts that while currently 8 women a day die from cervical cancer, this number will rise to 12 women a day by 2025. **The human papillomavirus (HPV) vaccine - which treats HPV, the major cause of cervical cancer among women - has been shown to be fully effective before girls become sexually active.** The vaccine will soon be administered to 9- and 10 year-olds in SA. However, the rollout will start at only quintile one, two, three and four schools, and will cover 520 000 girls.

3. DOCTORS, NURSES, HOSPITALS & TRAINING

Gauteng: Hospitals in poor state of repair; Ghost staff; Bara's e-maintenance project, Ambulance response times endanger lives; Bursaries; Hospitals in Western Cape and Mpumalanga

The Star, 2, 7, 16, 29 August; African Eye News Service, 17 August 2013

Overcrowding, dilapidated wards, peeling paint, open electric plugs, hanging live wires, dirt, and a dire shortage of critical medical equipment, personnel and medication are only a few of the problems at one of the largest hospitals in the world, Chris Hani Baragwanath in Johannesburg. The situation was no better at Leratong Hospital in Krugersdorp. Doctors said they had raised their problems with management in vain.

* Regarding hospital problems, Gauteng DoH said it has put out a tender for suppliers of a wide range of medical equipment. There are plans to improve the delivery of medicines, it is also looking into revitalising the queuing systems and plans to introduce IT-based systems similar to those in banks. Hospital heads have been given a discretionary allowance in their budgets to be used for urgent repairs and maintenance.

* **Gauteng DoH has saved R2,3-m in June salary payments after 120 employees in three academic hospitals failed to turn up for a verification exercise** involving the use of a biometric verification system to weed out "ghost employees". 85 employees at Chris Hani Baragwanath failed to show up even after a 10-day grace period following their payday.

* A **new e-maintenance pilot project at Bara** allows staff and patients to report defects and lodge complaints via the department's website, by sending an SMS, calling direct, complaining to the chief planner or by leaving a message at reception. The aim is to attend to all minor breakdowns in 24 hours, major breakdowns in 7 days, and major refurbishments in 365 days. The project will run at Bara for three months and will be rolled out to other health facilities and institutions early next year.

* **Gauteng ambulances:** Less than half of the high-priority cases are reached within 15 minutes because of poor response times by ambulances, according to the Gauteng health department. The reaction time of 15 minutes by ambulances in urban high-priority cases was 47%, lower than the 52% last year and under the 70% target. The emergency response within 60 minutes was 47%, lower than last year's 77% and 80% target.

* The **Gauteng DoH has spent more than R45-m in bursaries for students in health fields from April to June this year.** The department had **4 161 bursary holders for full-time and part-time studies**. Among them are 106 students studying medicine in Cuba, 396 studying to become basic pharmacy assistants, 19 clinical technology interns placed at academic hospitals and 6 medical orthoptic and prosthetic interns.

* **Western Cape** DA MEC for health Theuns Botha said that, following the commissioning of Khayelitsha Hospital last year, the Western Cape government was envisaging, planning and constructing more than R12-bn worth of capital projects (including the Mitchell's Plain Hospital) for the next 10 years.

* **Mpumalanga:** The Ruwacon Group construction company - responsible for renovations at the Rob Ferreira Hospital in Mpumalanga - **has locked wards over non-payment of a R12-m bill.** The contract was R27-m, but expenditure up to date was R34.8-m. Meanwhile patients are forced to sleep in freezing corridors and overcrowded wards.

State health staff launch campaign

Cape Argus, 22 August 2013

Public sector doctors and nurses have launched a campaign, the Positive Practice, aimed at highlighting the pressures they face at state facilities and to improve their relationship with the government. The first phase of the two-year campaign would focus on doctor safety. Denosa president Dorothy Matebeni said lunchtime picketing at state hospitals and clinics was planned to raise awareness about challenges workers faced.

200 doctors found guilty of misconduct; unethical conduct on the rise

Cape Argus, 19 August; Mail & Guardian, 2 August 2013

The Health Practitioners Council of South Africa (HPCSA) had received about 3 000 complaints against doctors in the 12 months to the end of March; almost 120 were referred to the police for investigation as the practitioners involved were not registered with the body. Of about 1 830 cases, the HPCSA finalised 734 during the financial year: 200 doctors were found guilty of misconduct; 49 doctors guilty of theft and fraud; 41 doctors guilty of providing insufficient care or treatment and of

mismanagement of patients; at least 30 doctors were penalised for overcharging their patients or charging for services not rendered; and 15 were found to have been negligent.

According to the HPCSA report there had been an increase in cases of "unethical behaviour in graduates and recently qualified practitioners". More doctors were accused of sexual harassment.

4. MEDICAL SCHEMES

Medical schemes must pay claims; Schemes under scrutiny of board; Fraud; Backlog; BHF conference

Personal Finance, 17 August; Business Report, 19, 20, 22 August 2013

A medical scheme must pay a member for a valid claim even if the doctor does not have a practice code number from the BHF, according to a recent ruling by the Council for Medical Schemes (CMS) Appeal Committee. In this case, Government Employees' Medical Scheme (Gems) refused to refund a member for services rendered by a specialist physician, Dr N Burman, who runs a cash practice and does not have a BHF practice code number. However, he is registered with the HPCSA as a medical practitioner.

* The BHF has commissioned a study to find **out how medical schemes managed to jump from a R459,6-m deficit in the 2010/11 financial year to a surplus of R1-bn in 2011/12** at a time when most of them complained about escalated prescribed minimum benefits (PMBs) claims and costs. Medical schemes received another R3,4-m in investments and other income: increasing the final surplus to R4,3-bn. Since the North Gauteng High Court threw out the BHF's case opposing the "pay in full" clause in the PMB regulation, medical aid schemes have reported an increase in PMB claims. BHF managing director, Dr Humphrey Zokufa, said it remained a mystery how medical aid schemes managed to accumulate surpluses. In its 2012 annual report, the CMS said the R1-bn surplus was largely due to the fact that medical schemes had a lower claims ratio in 2011. The 2012/13 figures will be released in a couple of weeks.

* **Dr Monwabisi Gantsho, head of the CMS, said the new draft medical schemes amendment bill would include provisions to rename PMBs to "mandatory minimum benefits"**, and enshrine aspects of the current industry code of good practice into law. He said the bill was unlikely to come into effect before the end of 2015.

* According to Christoff Raath, CE of the Health Monitor Company, an analysis of medical scheme spending on anaesthetists between January 2010 and July 2013 showed the cost per member had doubled for PMBs but remained flat for non-PMB procedures. A similar trend was seen among general surgeons.

* Actuaries from BHF estimate that **medical schemes lose 15% of their expenditure or R22-bn a year to fraud.** It was difficult to pick up fraudulent claims if the doctor claimed from different medical schemes.

  According to the actuaries, the HPCSA appeared to be very slow in acting against members who were investigated or proven to be committing fraud.

Administrator wants Sizwe's curator to go

Personal Finance, 17 August 2013

The curator of Sizwe Medical Fund has filed papers opposing a court application by Sechaba, which administers the medical scheme, to have him removed. Sechaba's application alleges that serious conflicts of interest are the motive for the curator's decision to terminate its long-standing administration agreement, whereas the curator's papers reveal that if Sizwe moved to self-administration it could potentially save R79-m in the first year of doing so. Sizwe has been under curatorship since September 2012.

Medical aid credit could benefit lower earners
SAPA, 19 August 2013
The introduction of a new medical aid contribution credit could make cover more affordable for lower income earners, according to the SA Institute of Chartered Accountants (Saica). People who already belonged to medical aid schemes would qualify for the credits. The tax credits were set at a fixed monthly amount for the taxpayer, and their first dependent. Two-thirds of that amount would be for additional dependents. This was a positive move until the NHI was fully operational.

Medical aids mum over child abuse; Get medical aids on board
The Star 27 August; Editorial Comment: The Star, 28 August 2013
The reporting of suspected child abuse by medical aids is either non-existent or needs to increase significantly, according to child welfare organisations. Medical aids were in the best position to pick up cases of child abuse as the abuser was likely to take a child who was regularly hurt to different doctors and hospitals to avoid discovery. Prof Ann Skelton from the Centre for Child Law said there might be a gap in the law regarding medical aids reporting child abuse, while all citizens were legally compelled to report suspected child abuse voluntarily. Professionals who have to report suspected abuse under section 110 of the Children's Act include teachers, doctors, nurses and lawyers. Medical aids, however, are not part of the list.

Momentum Health, Fedhealth and Discovery Health reacted that the information provided with the submission of a claim is not sufficient to determine if child abuse is definitely taking place. If suspicion exists, the scheme would address its concern with the treating provider. Due to member confidentiality, the scheme would legally be unable to share information without the express consent of the member in question.

* The **records of medical aids are important to help report abuse** when adults, especially if the suspected aggressors are caregivers, try to cover up their cruelty by taking the injured child to different doctors and/or clinics. Sadly, the medical aids cite patient-doctor confidentiality clause as one of the reasons why this can't work. We would argue that the moment any adult hurts a child, they forgo their rights to privacy.

5. PHARMACEUTICALS

Doctors swayed by gifts from drug companies
Cape Times, 31 July 2013
It is common practice for SA doctors to accept gifts from pharmaceutical firms, and 80% of patients believe that this influences the products they prescribed, according to Dr Robert Wise and Dr Reitze Rodseth from the University of KZN, (*SA Journal of Anaesthesia and Analgesia*). Currently no punitive action could be taken against a doctor for accepting gifts, unless proven it was at the level of a bribe or backhander. The SA Code of Practice for the Marketing of Medicine states that gifts and promotional items must be inexpensive, of minimal intrinsic value, not for personal use, and have educational or scientific value to benefit the patient.

Independent chemist: a threatened species
The Times, 8 August 2013
Pharmacists are unhappy about the growing trend of large retail chains establishing in-store pharmacies, leading to the demise of the small 'chemist'. According to insurer PPS, 86% of the 200 pharmacists it surveyed felt threatened by chain-store pharmacies. Gerhard Joubert, head of group marketing at PPS, said bigger retailers could negotiate better discounts with suppliers because they bought in bulk.

Lorraine Osman, spokesman for the Pharmaceutical Society, said there were plans for retail pharmacists to supply medicines to state patients, saving them a possibly costly trip to a hospital.

New medicine control body a step closer

Business Day, 13 August 2013

Government had referred enabling legislation containing the Medicines and Related Substances Amendment Bill to Parliament. The bill will replace the Medicines Control Council (MCC) with the SA Health Products Regulatory Agency (Sahpra), an entity with much wider scope**. The Cabinet said the bill sought to establish a strong, efficient and effective medicine regulatory authority.** The DoH envisages Sahpra as being the solution to the extensive delays besetting the MCC. The new regulatory agency will also be responsible for foodstuffs, cosmetics, disinfectants and diagnostics. One of the key changes is the inclusion of provisions for Sahpra to be a public entity with an independent board chaired by a CEO.

State hopes big changes to patent rules will cut drug costs

Business Day, 8 August 2013

The Department of Trade and Industry (dti) is proposing far-reaching changes to SA's intellectual property rights for medicines, which it says will increase access to cheaper drugs by making it harder for companies to obtain and extend patents. The draft intellectual property policy has been submitted to the Cabinet. It covers SA's entire regime, not just medicines. Among its provisions is a proposal to introduce a patent examination office to **stop pharmaceutical companies from "evergreening"** (companies that have products with patents that are about to expire take out new patents based on minor changes or new uses).

* However, Prof. Owen Dean, (intellectual property law at Stellenbosch University) said SA lacked skills to assess applications for medicine patents, and would tie it up in red tape if it introduced an examination system. The whole system would be slowed down and a lot of unnecessary costs would be incurred.

* Medècines Sans Frontiéres' spokeswoman Julia Hill said in SA patents could only be challenged after they had been granted - allowing companies to file multiple patents on the same medicine, keeping prices high.

Pharma firms 'not driven by science'

Business Day, 21 August 2013

Drug companies are keen to get their medicines on formularies because members often face significant co-payments if they are not on these lists of approved medicines. At the recent BHF conference Gavin Steel, the DoH's chief director for sector-wide procurement, urged medical schemes and administrators to **request pharmacy-economic evaluations from the DoH.** The department hoped to collaborate with the industry on pharmaco-economic evaluations, since there were few people in SA who had the requisite skills. He said the current approach is to list everything that could be used for a condition. Guidelines for how pharmaceutical companies should build their arguments for the value-for-money offered by new treatments, compared with the existing standard of care, were published by the DoH in April.

Discovery's CEO Jonathan Broomberg suggested collaboration could be "very effective" in updating the treatment algorithms for PMBs as these are often the most complex and contested areas.

Medical Control Council (MCC) courts controversy with ban on starch drips; Statins may have a dark side

Business Day, 13, 27 August 2013

The MCC has suspended the use of starch drips, widely used to stabilise critically ill hospital patients. Statins are also associated with serious side effects like muscle myalgia, kidney and liver problems, cataracts, memory loss and dementias, neurological problems such as Parkinson's, and limp libido. However, Larry Distiller, director of the Centre for Diabetes, said statins were the most researched drugs on the market, with a proven and "relatively safe profile", and benefits that far outweigh risks.

The MCC has ordered a product recall - a blow to the manufacturers of medicines containing hydroxyethyl starch (HES), which include German-based Fresenius Kabi and B Braun, and JSE-listed Adcock Ingram. However, some of SA's leading critical-care specialists believe a decision to ban the use of starch drips will harm some patients. Starch drips are used to build up blood volume in patients who are dehydrated or have lost a lot of blood, or in patients who have suffered a sharp drop in blood pressure. The decision follows developments in Europe and the US where the use of starch drips was suspended over safety concerns.

6. FINANCIAL NEWS

Pfizer's dip in profit beats forecasts with outlook steady

Reuters, 30 July 2013

Pfizer's second-quarter adjusted income fell 10% to $4-bn (R39-bn), from $4.45-bn a year earlier. Revenue fell 7% to $12,97-bn. CE Ian Read said Pfizer planned to separate its commercial operations into two units for branded products and a third for generics to revitalise its innovation-based core drugs business, enhance the value of consumer and off-patent established brands, and maximise the use of capital. Read also said he expected business in emerging markets, led by China, to accelerate in the second half of the year.

Sanofi latest to be visited by Chinese officials

Business Day, 2 August 2013

Chinese officials visited a regional office of Sanofi, the French pharmaceutical company, in the latest **inquiries into western pharmaceutical makers.** This came as Sanofi posted second-quarter results below expectations despite strong sales in China and cut guidance for 2013 to a 7% -10% decline on 2012's business earnings. Sanofi is one of the biggest western-based pharmaceutical players in the Chinese market with sales of €113-m in the second quarter. **Chinese authorities recently started a series of inquiries into pharmaceutical groups**, including GlaxoSmithKline, (corruption involving 4 senior local executives); AstraZeneca (2 employees detained in Shanghai); Johnson & Johnson (2 units were ordered to pay 530 000 yuan (R863 000) for monopolistic conduct). The regulator of the China Food and Drug Administration said it was determined to "severely crack down on fake medications, forged documents and bribery".

Aspen buys Mexico baby food business from Nestlé; Aspen, Nestlé deal needs further study

Business Day, 14, 28 August 2013

Aspen Pharmacare has snapped up Nestlé's infant milk factory in Mexico and licences for brands in Latin America for an undisclosed sum. This follows a similar deal in **April when Aspen bought licences for some of Nestlé's infant milk brands in Southern Africa and Australia for $215-m.** Aspen sells medicines in more than 150 countries and has been expanding in Latin America, Australia and Africa.

* **Meanwhile the SA Competition Tribunal has requested further analysis of the transaction** between **Aspen and Swiss food giant Nestlé,** following some concerns that the latest transaction does not address the competition authority's reservations about the initial deal between Nestlé and Pfizer Nutrition. The tribunal wants to know how the Aspen transaction will address the original problem of the three-to-two merger. It also requires further analysis of the effect of the two players in the market on possible co-operation and collusion. Nestlé has been forced to sell some of its infant milk assets to comply with the conditions imposed by competition authorities in Australia, Mexico and SA.

Lots of interest but no firm offers yet for Adcock; Adcock still locked in exclusive talks with Chilean suitor
Business Day, 16 August; Business Report, 14,27 August; Business Times, 18 August 2013
It is five months since Bidvest launched its bid for Adcock Ingram and shareholders of the pharmaceutical company appear to be no closer to receiving an offer from anyone other than Bidvest - *Business Report*. If firm offers are made by Actis and CFR, it will mean that Adcock shareholders have the full gamut of possible structures from which to choose. CFR offers a tie-up with an industry player with potential for growth across several emerging markets and a primary listing in South America; Bidvest offers Adcock shareholders the opportunity to keep some direct exposure to their company, as well exposure to a diversified operator with a primary listing in SA; and Actis will probably want to buy out shareholders.

* Adcock Ingram's board remains in talks with Chilean suitor CFR Pharmaceuticals after receiving less favourable proposals from others. CFR has offered R73,51/share and Actis, a London-based private equity firm, R70/share (more than 80% in cash) offer last month on condition it gets the same information as given to CFR. CFR did not disclose the component of shares in its offer, causing concern among investors including the Public Investment Corporation (PIC), Adcock's biggest shareholder, and Oasis Group. Adcock rejected a R6.2-bn cash and shares offer from SA-based Bidvest Group for a 60% stake in March.

Litha 'still searching for empowerment partner'
Business Day, 15 August 2013
Litha Healthcare continues to search for a broad-based empowerment partner after terminating a planned transaction in May, said group CEO Selwyn Kahanovitz. Although delisting was no longer on the cards, Litha was still looking to "substantially" increase the 7% held by black shareholders. Litha owns 52.5% of the Biovac Institute, a joint venture with the government that imports paediatric vaccines for the state. Litha reported diluted headline earnings per share of 3,8c for the six months ending June - a 65% drop from the 10,9c in the same period last year. Biovac, however, was running behind schedule in its plans to start producing the vaccines in SA later this year

Shareholders sue as project to produce AIDS nutrition package fails
The Star, 16 August 2013
SA and British investors who bought R70-m worth of shares in a company that claimed to have patented a "life-changing" AIDS nutrition pack have gone to court accusing the directors, Jan Louw, John Ellis and his wife Kathy, of lying and "misapplying or wasting" assets. They say they believed assurances that their money was to be used on clinical testing to be conducted by Nobel Prize winner Prof Luc Montagnier, credited with the discovery of HIV. No clinical trials have been done and a British company had the patent.

AstraZeneca to buy US cancer firm
Reuters, 26 August 2013
AstraZeneca has agreed to acquire privately held US biotech company Amplimmune for up to $500-m. The deal is the second within 24 hours in the cancer drug space, following Amgen Inc's much larger acquisition of Onyx Pharmaceuticals Inc. for about $10.4-bn. Amplimmune specialises in developing treatments designed to help the immune system fight cancer and the purchase will give AstraZeneca access to a number of compounds currently in pre-clinical development. AstraZeneca's MedImmune biotech unit will acquire 100% of Amplimmune's shares for an initial $225-m and a deferred consideration of up to $275-m based on reaching predetermined development milestones.

7. GENERAL NEWS:

Health in numbers

Financial Mail, 16 August 2013

* 54 years is how long a typical African citizen can expect to live, 14 years less than the global average. HIV/Aids, tuberculosis and malaria are main causes of death.

* 2.3 is the ratio of doctors per 1 000 people in Africa. The global average is 14, in Europe it is 33.3 and Eastern Mediterranean it is 11.

* 107 children under the age of five per 1 000 die in Africa. The global average is 51.

* 620 is the ratio of maternal mortality per 100 000 live births in Africa. The global average is 260; in Europe it is 21.

* 61% of Africans have access to clean water, (from 49% reported in 1990).

* US$24bn-$30bn is the amount the World Bank's International Finance Corp estimates will be invested in Africa's healthcare infrastructure between now and 2016.

* 4 African Union member states in 2010 were compliant with the 2001 Abuja Accord, committing the signatories to spend 15% of their national budget on health. Most of them have been spending 5% to 10%.

* 70% of Ghanaians are covered by national health insurance, introduced in 2004. Reported benefits include a 19% drop in infant mortality since 2000.

'Not hungry, not healthy' paradox plagues

Business Day, 7, 8 August 2013

SA is a paradoxical land of the fat and the hungry, where poor food choices are piling on the kilos without staving off rumbling stomachs, according to a survey by the Human Sciences Research Council (HSRC). People buy what they can afford; mostly food that is dense in energy but poor in micronutrients.

* **Two-thirds of women and a third of men were either overweight or obese, yet a quarter of SA households experienced hunger.** More than 25 000 people completed questionnaires, 12 000 agreed to a physical examination and 8 000 had blood tests, making it the largest survey of its kind to date in SA.
  A third of men and half of women aged between 18 and 40 failed a basic fitness test, with people living in formal housing in urban areas faring slightly worse than those in informal and rural areas. A potentially large increase in the number of non-communicable diseases, such as diabetes and hypertension, is expected.

* **Not only was children's growth stunted, increasing from 23.4% in 2005 to 26.5% this year, but 34% of children had no food to eat for breakfast.** Only 37% of children had enough food for the whole day. Obesity was highest in the two-to-five-year age group, at 19%. The prevalence of overweight children had increased over the past decade from 10.6% to 18.2%; that of obesity remained almost unchanged at 4.7%.

* In the US 1 in 8 preschoolers is obese; among low-income children, it is 1 in 7.

Entrepreneur is cycling to ensure a community's health
Business Day, 12 August 2013
Sizwe Nzima (21) was named by US business magazine *Forbes* as one of 30 Africans - including seven South Africans - younger than 30 who are having an effect across the continent. **He started Iyeza in October last year, delivering medicine on his bike to more than 200 clients in Khayelitsha.** Today he has a team of five on bikes and is in talks to expand his system to all three hospitals and six clinics in Khayelitsha. He used the R10 000 prize money he won in 2012 to buy two bicycles.

Business of medicine lacks compassion: pan-palliative care
Business Day, 6 August 2013
Selma Browde, the founder and director of the Hospital Palliative Care Team at the Charlotte Maxeke Johannesburg Academic Hospital coined the term "**pan-palliative care" for the approach to combine the art and science of medicine, with a multidisciplinary approach that includes the relatively new discipline of "narrative medicine" - the importance of patients' stories, their feelings, habits, fears, beliefs, family and other circumstances, that play a role in illness or injury**, and are proved scientifically to affect the perception of pain and treatment outcome.

Pan-palliative care does not compete with, but rather **complements orthodox medical practice** or the hospice movement. Dr Browde said the skills and ethos of pan-palliative care need to be taught to every doctor and nurse in order to treat and relieve the suffering of terminal and other patients

Do 80% of South Africans regularly consult traditional healers?
Health-e News Service, 1 August 2013
An article on the BBC News website claimed that sangomas "remain the first point of contact for physical and psychological ailments for about 80% of black South Africans according to authorities". According to a 2012 article in the *SA Medical Journal* "some 80% of South Africans use traditional medicine to meet their primary healthcare needs". However, a 2011 General Household Survey found that 70.7% of SA households favoured public clinics and hospitals. The least favoured options were traditional healers (0,1%); and pharmacies (0,3%): 81,3% of black households first consulted public sector health facilities, and only 1,5% first consulted "other" health facilities, including spiritual healers and traditional healers.

UK patients pay too much; HCA charges highest
Reuters, 28 August 2013
Private healthcare patients in Britain are paying too much because of a lack of competition, the country's market regulator said in a ruling that could lead it to force some operators to sell hospitals. The Competition Commission said it had identified 101 private hospitals that faced little local competition, some of them in clusters owned by one of the major hospital groups BMI Healthcare, Spire and HCA International. It could force operators to sell some hospitals in areas where they dominated, it said, adding that it had pinpointed about 20 such sites.

BMI, partly owned by SA's Netcare and private equity group Apax Partners, is the biggest private operator, with 69 hospitals, while Spire, owned by private equity group Cinven, owns 38.

8. IN A NUTSHELL:

Desperate need for donors
According to Samantha Volschenk, executive director of the Organ Donor Foundation, more than 4 000 people in SA were awaiting organ transplants. Fewer than 600 transplants are performed in the public and private hospitals a year, resulting in many people dying while waiting for life-saving organs. Despite the need for organs, the number of donors remained critically low at less than 0.2% of the population.

Businessman cuts heart op costs by 98%

Heart surgery in India is 98% cheaper than in the US, thanks to a heart surgeon-turned-businessman, Devi Shetty, who founded 21 medical centers around India. He has trimmed the procedure to 95 000 rupees ($1 555) by buying cheaper scrubs, reducing energy costs by only having theaters and intensive-care units air-conditioned, cutting out unnecessary pre-op testing and making use of Web-based computer software.

Longer lives put strain on NHI plans

Statistics South Africa's latest mortality report attributes 40% of deaths in the country to lifestyle diseases such as diabetes, heart disease, lung diseases and cancer. Research has shown that lifestyle diseases normally emerge from mid-life onwards. ARVs have increased the life expectancy of people with HIV, but these same people have now become more susceptible to non-communicable diseases.

New survey identifies America's top health priorities

A new survey commissioned by the Pharmaceutical Research and Manufacturers of America (PhRMA) shows 86% of Americans believe developing cures for more forms of cancer should be one of the top national health priorities, followed by developing effective treatments for heart disease (78%) and more intensive medical care for seniors (76%). Obesity, diet and weight management topped the list of Americans' biggest personal health concerns.