

## **Health compact needs budget increase, warns Western Cape MEC – Business Day 30 July 2019**

More money is needed to make the presidential health compact a reality, as provincial health departments grapple with shrinking budgets

Western Cape MEC for health Nomafrench Mbombo has sounded a warning about the cost implications of the presidential health compact signed last week, saying more money will have to be allocated by the fiscus to make the plan's commitments a reality.

The compact is a blueprint for improving the public health system, and is part of the government's plan for achieving universal health coverage with the National Health Insurance (NHI) fund. It includes a list of promises, including lifting the moratorium on filling critical posts in the public health system and training more specialists, which have yet to be costed.

Mbombo said provincial health departments across the country are under strain as they grapple with an increasing demand for services in the face of shrinking budgets.

Provincial health budgets have decreased by R9bn in real terms in the past three years, despite above-inflation wage increases and medical inflation running at 3% higher than general inflation, she said at a media briefing on Tuesday. "Additional funding is, therefore, required to give effect to the promises of the social compact," she said.

Contrasting health to state-owned entities (SOEs) such as SAA and Eskom, which have repeatedly received bailouts, she said: "We don't get bailouts. They'll say 'resolve it yourself'. Rob Paul to pay Pauline [sic]," she said.

Mbombo said the Western Cape has a strong track record and has the ability to spend a bigger budget and improve services. It has had unqualified audits for the past 15 years, and clean audits for the past three.

She welcomed the signing of the compact, emphasising the Western Cape's view that provinces should continue to play a significant role in determining how health services are provided to their populations. One of the concerns voiced by critics of the NHI is that the current policy proposes devolving the purchasing of health services to district level, stripping provincial health departments of some of their responsibilities.

"We believe the national department has national stewardship roles, and the province is likewise the provincial steward for a healthy society," said Mbombo. "Local decision-making, close to communities, true community participation and partnerships — including with the private sector — are the key ways to improve healthcare provision."

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