



Wes-Kaapse Provinsiale Parlement  
Western Cape Provincial Parliament  
IPalamente yePhondo leNtshona Koloni

Ref: WCPP 11/4/9

**MINUTES OF PROCEEDINGS**

**STANDING COMMITTEE ON HEALTH**

Friday, 04 August 2023, (at 09:00) Chamber, 6<sup>th</sup> Floor

**PRESENT**

**Members:**

**Democratic Alliance**

Pretorius, G (Chairperson)

Fry, C

Plato, D

**African National Congress**

Windvogel, R

**Economic Freedom Fighters**

Klaas, TM

**Additional Members**

Bans, AP (ANC)

Baku-Baku- Vos (ANC)

**NCOP Permanent delegate**

Njadu, Z (ANC)

**Officials and guests' attendance register**

**Attendance register is available.**

**1. Opening and welcome**

Member Pretorius, Chairperson of the Standing Committee on Health and Wellness opened the meeting and allowed for brief introductions. He gave a special welcome to Member Z Njadu, the NCOP Permanent Delegate for the Western Cape. The Chairperson reminded the Committee that the purpose of the meeting was to get a briefing from the national Department of Health on the National Health Insurance (NHI) Bill [B 11B-2019] S76.

Member Z Njadu from the NCOP gave an overview on the purpose of the Bill. He briefed the Committee on the NCOP legislative process of the Bill thus far and handed to the Prof. N Crisp to brief the Committee on the Bill.

## **2. Briefing by the national Department of Health on the National Health Insurance (NHI) Bill [B 11B-2019].**

Prof. Crisp, from the National Department of Health, proceeded to brief the Committee on the NHI Bill [B 11B-2019]. He informed the Committee the NHI Bill provides an enabling framework for massive reforms to the entire health landscape in the country. The presentation summarised the 11 chapters of the Bill.

The Committee was informed that the purpose of the NHI Bill was to establish an NHI Fund as a legally defined organ of the state. The Bill provides for the control of the NHI Fund by the Board, the composition of the Board, the appointment of members of the Board, and the appointment of the Chairperson and Vice-Chairperson of the Board. It seeks to define beneficiaries of services covered by the NHI Fund, including population registration. The Bill also provides for the contracting of accredited providers of personal health care services and allows for the Minister to determine criteria for accreditation and reimbursement of Health care providers. The NHI Bill provides for the Minister to determine health care benefits that will be reimbursed through the NHI Fund, as well as the service coverage and cost measurement provisions. The NHI Fund will purchase services on behalf of South African citizens; permanent residents, refugees, inmates, and specific categories of foreign nationals, and will limit access to pay for asylum seekers and illegal foreigners. However, it will care for all children irrespective of their citizen status.

With regards to the role of provinces under the NHI Act, it was reported that the national Minister of Health will delegate to provinces as management agents, for the purposes of provision of health care services, and in those cases the Fund will contract with sections within the province such as provincial tertiary, regional and emergency services. This aims to strengthen and assist the District Health Management Office in controlling the quality of all health services and facilities. Provinces will provide technical and logistical support to district health councils and will coordinate health and medical services during provincial disasters. Provinces will provide and co-ordinate emergency medical services and forensic pathology, forensic clinical medicines and related services including the provision of medico-legal mortuaries and medico-legal services. They will provide and maintain equipment, vehicles, and health care facilities, consult with communities regarding health matters, promote health and healthy lifestyles, provide environmental pollution control services, and ensure health systems research and programmes, public sector, and health services to name few.

The role of medical schemes under the NHI, it was mentioned that once the NH is fully implemented, the national Minister will introduce regulations limiting benefits to services not reimbursable by the NHI Fund. Accreditation of service providers under the NHI, it was reported that they will provide minimum range of services, adhere to the national pricing regimen, conclude a legally binding contract with establishment or prodder for a maximum of 5 years, etc.

The Committee was informed that the NHI would be implemented in stages. It would start with primary health, as the main foundation of providing services. Then it would be built up to the highest level. This would provide time for the overburdened public sector, which needed a lot more investment. This would provide time for increased investment and further improvement, both in terms of infrastructure and equipment.

Adv. Mtshotshisa indicated that several challenges have been experienced in the implementation of the Fund-Raising Act No.107 of 1978. The Act has become dysfunctional over the years, with many parts being repealed owing to the introduction of the Non-Profit Organization Act No. 71 of 1997, and only Chapter 2 of the Fund-Raising Act remains, and some of the funds have become dormant. Presently relief services as contained in the Fund-Raising Act are fragmented and costly to administer due to a lack of consistency in the application and implementation. The institutional arrangements as contained in the Fund-Raising Act No. 107 of 1978 are not conducive to responding immediately to issues of emergency. In most cases, the Fund-Raising Act No. 107 of 1978 provisions duplicate relief services that are catered for by Social Assistance Act No.13 of 2004, when a disaster occurs. The amounts of money lie locked in three different dormant funds, making it difficult to address wide-ranging emergencies affecting vulnerable communities and the four Boards dealing with issues of relief have been found to be inappropriate and inefficient in emergency situations.

The purpose of the Fund-Raising Amendment Bill aims to rationalise the Fund-Raising Act, 1978 (Act No. 107 of 1978) ("the principal Act"), by consolidating the Disaster Relief Fund, the Refugee Relief Fund, the Social Relief Fund, and the State President's Fund into the Disaster Relief and National Social Development Fund, to focus on proactive mitigation of disasters and promote the social development of communities. This will contribute to the streamlining of administrative processes and rationalize administrative and secretariat costs to the Department of Social Development. The newly established Disaster Relief and National Social Development Fund should be empowered to raise funds from the public, and private sectors including international donors to address short-term intervention and impact on long-term developmental issues. The amendment will align the Fund-Raising Act with the provisions of the Disaster Management Act and the Public Finance Management Act and other related financial frameworks.

The provincial Department of Social Development was allowed to give input during the presentation on the Bill. The Department indicated that they submitted their input on the Bill to the national Department and will submit it again to the Committee during the public participation process.

The WCPP Public Education and Outreach (PEO) Section was allowed to give input on the assistance it will provide to the Committee during the public hearings. No officials from the PEO Section were present during the meeting.

The Committee deliberated on the presentation.

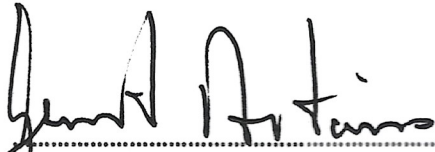
### **3. Resolutions**

The Committee resolved that:

- 3.1 The public hearings on the Bill will be published in three official languages, namely, English, Xhosa and Afrikaans. The adverts will be published in the City Vision for the isiXhosa speaking stakeholders, Weekend Burger for the Afrikaans speaking stakeholders, and on the Weekend Argus for the English-speaking stakeholders. The reason for the advertisements on the Weekend Burger and on the Weekend, Argus was that the papers reach the entire province.
- 3.2 The Committee would schedule, four public hearings in places that where the Committee never held hearings before and in places that are central. The first hearing will be in the Chamber, Western Cape Provincial, in Cape Town for the stakeholders in the Cape Metropolitan area and surrounding areas, Saldanha Bay for the West Coast areas, Laingsburg for the Karoo and surrounding areas, and Mossel Bay for the Garden Route and surrounding areas.
- 3.3 Stakeholders should be encouraged to attend the public hearing and make verbal and written submission on the Bill.

- 3.4 All Municipalities should be informed about the scheduled public hearings.
- 3.5 The WCPP Communications Section to send make use of the social media platforms and inform the stakeholders about the scheduled public hearings on the Bill.
- 3.6 The WCPP Public Education and Outreach (PEO) Section should assist the Committee by engaging, inviting, and encouraging relevant stakeholders to attend and give input during the hearings or make written submissions on the Bill. The section should also assist the Committee in sourcing out venues and assist stakeholders that need transport to the hearings in areas outside the Cape Metropolitan area.

The meeting adjourned at 11:30.



.....  
MR G PRETORIUS, MPP  
CHAIRPERSON: STANDING COMMITTEE ON HEALTH  
WESTERN CAPE PROVINCIAL PARLIAMENT