BUDGET VOTE 2025/26 SPEECH BY DEPUTY MINISTER OF HEALTH, DR JOE PHAAHLA

CAPE TOWN

DATE: 09 July 2025

Honourable Speaker/ Chairperson of the sitting Honourable Minister of Health, Dr PA Motsoaledi Honourable Ministers and deputy Ministers present Honourable MECs present Honourable Chairperson of the Portfolio committee on health DR Sibongiseni Dhlomo Honourable members of the Portfolio committee Honourable Members of the National Assembly Heads of Public Entities and Statutory Councils Distinguished guests Ladies and Gentlemen Good afternoon, Sanibonani, Dumelang

Thank you very much honourable chair for this opportunity to participate in the budget vote 2025/26 of the department of health. This debate takes place on a sad week as we mourn the passing of a longstanding public servant , public representative, a leader in this house, our late Deputy President Hon DD Mabuza, we pass our condolences to his family, May His Soul Rest in Peace,

Hon Chair, we hold this debate on a very important year when we celebrate 70 years of the adoption of a document which became a loadstar during our struggle for freedom but also a base document for our democratic constitution and has remained a relevant reference point up to today viz The Freedom Charter which turned seventy years on the 26th June 2025. The Charter declares on health that " A preventative health scheme shall be run by the state.

Free medical care and hospitalisation shall be provided for all, with special care for mothers and children."

Hon Chair while we acknowledge that a lot still need to be done, we also assert without any fear of contradiction that we have moved a long way in the attainment of these aspirations in terms of increasing access to services and removing barriers.

As I said on the 13th June 2023 in the 6th parliament when we passed the NHI, this was the next serious milestone towards the realisation of the Freedom Charter and we are well on our way to implementation of the Act despite the court challenges by those opposed to equity and transformation. When this Act is fully implemented the aspirations of a preventative health scheme run by the state and free medical care at the point of service as espoused in the Freedom Charter will be realised in full.

NON COMUNICABLE DISEASES

Hon Chair, while we must remain focussed on achieving elimination of infectious diseases such as HIV and AIDS, TB, Malaria, Children's viral infections and water borne diseases such as cholera and typhoid, we are also wide awake to the fact that non communicable diseases are a rising menace to our population as is the case in other countries both developed and developing. It is for this reason that on the 25th September this year the UNGA will convene an unprecedented fourth High Level meeting of Heads of States to discuss progress since the third high level meeting held in 2018 on NCDS.

As we are aware the NCDS we are talking about are:

A)High blood pressure and related complications such strokes, cardiovascular diseases and kidney disease.

B)Diabetes Mellitus and its complications including amputations and blindness

C)Various cancers in women , men and even children D)Mental illnesses of all types including consequences of substances abuse.

E)Chronic respiratory diseases.

Our overall strategy for NCDS is anchored on pillars of prevention, early detection and effective treatment where cure is possible and retention on treatment and monitoring where it is a lifelong ailment. As many of us are aware the cornerstone of prevention of NCDS is managing our lifestyles through

A)Not smoking or using tobacco and related products

B)Not taking alcohol or otherwise do so in moderate amounts

C)Eating healthy food rich in fibre, vitamins, minerals and other key ingredients beneficial to our bodies and avoiding high intake of sugar, salts and fats

D)Regular physical activity.

We have partnered with organisations such as Parkrun which is led by our legendary Comrades Marathon multiple winner, Bruce Fordyce to use open parks for people of all ages to walk and run, this is done in various parks at 8am on Saturdays.

In terms or regulatory interventions, we have amongst others the Health Promotion levy commonly called the sugar tax, we have regulations for control of trans-fats, regulations to reduce salt in prepared foods to help reduce to less than 5gm of salt per day.

In 2023 we published draft regulations to improve food labelling requirements which clarifies more explicitly food content. After public comments we are about to conclude the amended regulations.

The next level of intervention is in early detection and treatment.

The screening detection. and treatment are kev components of the response to NCDs. We continue strengthening screening services for early detection and prevention of high blood pressure and elevated blood glucose. As a means of preventing and controlling NCDs, Department is implementing the National а NCD Campaign to improve early detection and link patients to care. This campaign aims to strengthen each district's community-based response in line with the Integrated **People-centred** Service approach. Health The implementation of this campaign has led to an increase in the number of people screened for hypertension and diabetes, so that people diagnosed with these conditions can be initiated on treatment as early as possible.

I am happy to report that during the past five years we have been able to surpass the set annual targets of screening 25 million people for high blood pressure and elevated blood glucose respectively. During 2024/25, we managed to conduct a total of 44 602 922 screenings for high blood pressure and 44 069 005 screenings for elevated blood glucose. This is attributed to increased uptake of screening services at community and facility levels which were supported by the training of community health workers and traditional health practitioners to conduct screenings in households, the procurement of HbA1c (which is a blood test that reflects your average blood sugar levels over the past 2-3 months) point-of-care testing machines, and the roll-out of the National NCD Campaigns in provinces.

For the next five years, we plan to conduct 45 million screenings for high blood pressure and 43 million screenings for elevated blood sugar per year. This will ensure ongoing surveillance and early disease detection and diagnosis. The battle against NCDs is the responsibility of all in the country, therefore, continued collaboration among various stakeholders is key in our efforts to prevent and manage these diseases.

Hon chair in terms of prevention of chronic respiratory disease I leave it to members of the health portfolio committee and their parties to support the current legislation on tobacco control which you are processing, by simply supporting that bill you will be saving millions of lifes.

CANCER

Honourable Members, according to the South African National Cancer Registry, the top 5 leading cancers ranked by number of cases during 2023 include breast, prostate, cervical, colorectal and lung cancer. Cervical cancer ranks as the 2nd most frequent cancer among women in South Africa and the 1st most frequent cancer among women between 15 and 44 years of age. Of the female cancer cases, the number of new cases of cervical cancer increased from 7 499 in 2022 to 7 644 in 2023. However, cervical cancer is unique amongst the other cancers in that its causative virus has been clearly identified and a vaccine has been developed and therefore can be prevented. It is for this reason that the WHO is leading member countries in a campaign to eliminate CA Cervix by 2030.

South Africa has made significant progress since the start of the HPV vaccination campaign in 2014, to date, 85%-89% of targeted girls in grade 5 and aged 9 have received one or more doses. During the February/March 2024 round of HPV vaccination against cervical cancer, 405 299 girl learners (88.6% of the target population) received HPV vaccination. The programme has since been extended to private schools. The WHO has made coverage even easier by confirming that a single dose of the HPV vaccine provides adequate protection.

The WHO Global Strategy to Accelerate Elimination of Cervical Cancer by 2030, aims to put countries on a path to elimination. We will need to achieve the ambitious goal of an incidence rate of less than 4 per 100 000 women per year. South Africa has committed to achieving the WHO Cervical Cancer Elimination targets which focus on ensuring that 90% of girls are vaccinated against HPV, that 70% of eligible women are screened for cervical cancer using a high-quality test and that 90% of women with precancerous lesions or invasive cancer receive treatment.

We have introduced HPV screening as a key component of efforts to eliminate cervical cancer through early detection and treatment of pre-cancerous lesions. HPV screening was introduced early in 2024/25, and as at the end of March 2025, forty-three (43) of the country's 52 health districts commenced with performing HPV screening for cervical cancer. This number will be expanded further during the 2025/26 financial year. The Department has conceptualised the mother/daughter pair as one measure to ensure that girl children receive HPV vaccination at nine years of age, while the mothers who are 30 years and older start with HPV screening. This approach also prioritises HIV positive mothers for HPV screening so that they can be started on treatment if they are diagnosed.

Mental Health

Honourable Chairperson, there is growing concern globally of the increasing burden of mental health conditions. In South Africa, mental health disorders are exponentially driven by substance abuse and are ⁸|Page</sup> contributing to aggressive forms of mental disorders leading to overburdening of health facilities and heinous crimes including GBVF. During 2024, the National Planning Commission initiated a situational analysis of Mental Health to address the urgent need for mental health reform in South Africa. Amongst some of the findings, it identified disparities in resource allocation across provinces. Of concern is the disproportionately low allocation of resources for mental health services in the country, with only 5% of the national healthcare budget dedicated to this critical area. This results in infrastructure inadequacies and staff shortages.

The South African mental health legislation and policies regarded among the most progressive are as internationally. We have taken critical steps to strengthen our mental health system including reforming the Mental Health Care Act 17 of 2002 and implementing a National Mental Health Policy Framework and Strategic Plan 2023-2030. The vision of this policy framework is to achieve 'comprehensive, high quality, integrated mental health promotion, prevention, care, treatment and rehabilitation by 2030. It builds upon previous efforts, focusing on enhancing access to care, improving service quality, and addressing social determinants of mental health.

The Department continues to strengthen primary health care and community based mental health services to ensure proper management of these conditions. A key strategic outcome of the Department is for mental health care to be integrated within primary health care. This integration is key in preventing severity of mental conditions (morbidity) in communities, that will require more expensive specialized care at higher levels of care. Currently the Department is using a conditional grant for mental health services to contract private psychiatrists and clinical psychologists to increase capacity of mental health services health at primary care.This is necessitated by the fact that even though all the specialist doctors and nurses are trained in public health facilities only one third of psychiatrists are practising in public health. During 2024/25, a total of 261 mental health care providers were contracted through the mental health conditional grant. In the new financial year, we plan to develop a roadmap on strengthening resources and functionality of the Mental Health Review Boards.

Our Medium Term Development Plan (MTDP) target is to have 75% of Community Health Centres with at least one mental health care provider appointed by 2029. Categories of mental health care providers include Psychiatrist, medical officer with a post basic diploma in psychiatry, Psychologist, Social Worker, Occupational Therapist, Registered Counsellor and Psychiatric Nurse.

Malaria Disease

Honourable Chairperson, South Africa embarked on a malaria elimination programme since 2012, in this regard we are part of 8 countries in the SADC region which were identified as having the potential to do so soon and named the "Elimination 8 countries". Our country's Malaria Strategic Plan aimed to achieve zero local malaria transmission by 2023. However, South Africa recorded 1 909 local malaria cases in 2022/23, hence the goal was not achieved. Malaria cases increased from 7 330 in 2022/23 to 9 594 in 2023/24, while malaria deaths decreased from 90 to 82 during the same period. During the 2024/25 period, South Africa recorded a significant decrease of 3 520 malaria cases and 28 deaths.

Of the total number of malaria cases reported in 2023/24, 31% (2 660) were classified as local, while 69% (5 797) were classified as imported. To respond to the burden of malaria in the three malaria endemic provinces

(KwaZulu- Natal, Mpumalanga, and Limpopo), the Department has been implementing the malaria foci clearing programme in the targeted sub-districts, to curb introduced cases that largely fuel onward local transmission. To date, a total of ten (10) subdistricts have implemented the foci clearing programme and these will be expanded to an additional 4 subdistricts during 2025/26.

Two of the nine South Africa's malaria endemic districts, which historically reported local transmission, have not reported any local cases in the past four years. This aligns well with the malaria elimination efforts the country is pursuing.

Public Entities Input

The Department of Health has 6 Schedule 3A public entities and also 6 statutory health professional councils under its oversight The entities and professional councils play a critical role in service delivery, health products regulation, quality assurance, research, and the regulation of health professionals.

The 2025/26 financial year marks the beginning of the new five-year strategic plans for these health entities,

setting the foundation for long-term transformation aligned with the objectives of the National Health Insurance.

The National Health Laboratory Service (NHLS) remains a cornerstone of our healthcare system. As the largest diagnostic pathology provider in the country, it supports nearly 80% of our population, particularly in the detection and monitoring of priority diseases. With a footprint of 233 laboratories across all provinces, the NHLS ensures that diagnostic services reach even the most remote communities.

Over the MTEF, the NHLS will continue to lead efforts in diagnosing HIV, TB, and COVID-19. Notably, it will begin implementing Point of Care Testing, bringing services even closer to patients at the community level. The National Institute for Communicable Diseases, a division of NHLS, will maintain its critical role in surveillance, outbreak response, and genomic sequencing. The NHLS also oversees the National Institute for Occupational Health and the newly integrated Forensic Chemistry Laboratories, which now require additional capital investment to enhance performance. I am happy to report that the NHLS has been able to fully recover from the cyberattack and has now built a more resilient information technology system.

The **South African Medical Research Council** (SAMRC) will continue to drive high-impact research that addresses the country's health priorities, from HIV and TB to non-communicable diseases and pandemic preparedness. In the year ahead, the SAMRC will launch

a landmark project to sequence 10,000 South African genomes, laying the foundation for a National Human Genome Programme and building national capacity in genomics and data science.

To offset reductions in international funding, the SAMRC will intensify its partnership model to attract new investments into the research ecosystem. Over R60 million has been earmarked to develop the next generation of researchers. Translating research into policy and innovation will remain a priority, including the development of a new National Cancer Research Strategy. The Council will also expand its extramural program with a focus on underrepresented provinces and critical themes such as Indigenous Knowledge, One Health, and Artificial Intelligence.

The South African Health Products Regulatory Authority (SAHPRA) remains a key institution in ensuring that only safe, effective, and high-quality health products reach our citizens. In 2025/26, SAHPRA will continue its modernisation journey, prioritising the registration of essential medicines and strengthening regulatory capacity.

Projected revenue from fees will grow by 12%, complemented by a R149.3 million transfer from the Department of Health, bringing the total transfer to R468.9 million over the medium term. The Authority is financially sound and positioned to further digitalise its processes to improve turnaround times and regulatory transparency.

The Medical Bureau for Occupational Diseases (MBOD) and the Compensation Commissioner for Occupational Diseases (CCOD) continue to address the long-standing health needs of former mineworkers. In 2024/25, over 6,200 claims amounting to R404 million were paid, and more than 17,700 medical certifications were completed. I must commend the Tshiamiso Trust, which has now paid out over R2 billion to nearly 22,000 eligible silicosis and TB claimants under the historic settlement agreement.

Together with provinces, traditional leaders, and exmineworker associations, the MBOD and CCOD reached over 14,000 former mineworkers through outreach efforts, disbursing R18 million in claims and conducting over 1,100 medical assessments.

The **Council for Medical Schemes (CMS)** continues to oversee a financially sound medical schemes industry, with over 9.1 million beneficiaries across 71 schemes and a robust solvency ratio of 43.45%. However, increased post-pandemic utilisation led to an insurance deficit of R6.73 billion in 2023, partially mitigated by investment income.

To safeguard scheme reserves, CMS approved contribution increases above CPI for 2024 and 2025. The regulator is also facilitating tariff negotiations to promote fair, transparent, and sustainable pricing across the private sector.

A number of regulatory interventions are underway: the Section 61 Gazette was issued to prevent excessive co-

payments and ensure the fair selection of Designated Service Providers; statutory interventions, including curatorship and liquidation, are being managed to protect member interests.

CMS has also released a comprehensive report on Low-Cost Benefit Options (LCBOs), raising concerns about their alignment with the objectives of National Health Insurance. The regulator continues work on revising Prescribed Minimum Benefits to include a costed primary health care package, and has concluded its Section 59 investigation into racial profiling, with the final report now available.

The Office of Health Standards Compliance (OHSC) remains critical in ensuring that our health system delivers safe, quality care. In 2025/26, the OHSC will conduct 971 inspections in public and private establishments, with follow-up re-inspections where non-compliance is identified. The OHSC certificate is a legal requirement for all facilities under the NHI Act, making this work essential to our national health reform.

The Complaints Management Programme, in collaboration with the Health Ombud, will aim to resolve 50% of complaints within six months. OHSC will finalise and implement inspection tools for Emergency Medical Services and Psychiatric Hospitals, and support general practitioners through new regulatory instruments. Training and technical guidance will be offered to help facilities develop effective Quality Improvement Plans.

Internally, OHSC is finalising its Business Operating Model and conducting a skills audit to ensure it is fit for purpose. ICT modernisation will also be prioritised to strengthen the institution's regulatory functions.

Lastly, we continue to work with the **Statutory Health Professional Councils** to ensure the sound regulation of health professionals. These councils uphold the standards of training, registration, and professional conduct that form the foundation of safe and ethical healthcare delivery in South Africa.

<u>I thank you!</u>