**FINANCIAL FISCAL COMMISSION BRIEFS COMMITTEE ON PROVINCIAL DEPARTMENTS OF HEALTH’S BUDGETS**

**The Portfolio Committee on Health said it does not agree with the Financial Fiscal Commission’s (FFC’s) assessment, where it said conditional grants are only meant to be temporary. The FFC briefed the committee on the Department of Health and Provincial Departments of Health’s budgets, the spending patterns and the FFC’s recommendations.**

**The committee questioned why conditional grants should be time-bound, some of the committee members said they agreed with the grant reforms but do not agree that the grants should be made temporary, alluding to the Health Revitalisation Grant.**

**Committee Chairperson, Dr Sibongiseni Dhlomo, said: “On the matter of conditional grants, why must grants have a lifespan of three years when they are important?”**

**In its presentation, the Auditor-General said placement of health facilities in various spheres often creates coordination problems. The committee was in agreement and said decentralisation is something that the department has been discussing, as it understands that more responsibility of the Supply Chain Management needs to be given where services are provided. Furthermore, the Auditor-General said decentralisation would mean that funding is directed to hospitals. This has been successful in the education sector.**

**Spending on public health has been sustained at an average rate of 13.6% and 3.8% of the total budget and the gross domestic product (GDP), respectively, in 2018/19.**

**The report by the FFC indicated that the total health budget amounted to R208 billion in 2018/19, an increase of about 8.9% compared to the 2017/18 budget of R191 billion, of which 3% is allocated to the national department, excluding the conditional grants, and 94% is allocated to the provinces.**

**On issues pertaining to the National Health Insurance (NHI) Bill, the committee said the matter is before Parliament and the committee is seized with dealing with the parliamentary processes. The committee urged the FFC to meet with the department, as it was of the view that some of the issues that the commission alluded to regarding the NHI in its presentation, seem to be out of touch with what the department is doing.**

**Dr Dhlomo requested the commission to participate and make submissions in the NHI Bill, as it is out for public comment.**

**By Yoliswa Landu**

**9 October 2019**