Policy Brief: Performance on Health Conditional Grants

Parliamentary Budget Office

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1. Purpose

To provide Members of Parliament, specifically the Finance and Appropriations Committees with:

- An overview of the funding model for Health
- An evaluation of the performance of the Health Conditional Grants in 2019/20
- Possibilities to address some of the additional needs in providing health services

2. Introduction

Members of Parliament are required to assess:

- Whether government has received value for money in the implementation of the budget
- The progress made with the implementation of government's policies

These assessments are done by Parliament through the monitoring of the implementation of the budget, inclusive of expenditure and performance on conditional grants, as part of the legislative process.

The government or departmental quarterly reporting on conditional grant outputs is not institutionalised and required by public finance legislation. Performance information (available to Members) on conditional grants is included in the schedules to the Division of Revenue Act (DORA) and in Departments Annual Reports for evaluation purposes.

As part of Parliamentary Budget Office support to Parliament oversight process, the Office provides analysis that specifically assist MPs to determine the efficiency and effectiveness of the expenditure of nationally raised revenue. Due to the size and importance of priority funding, the PBO started a series of analyses on the information available in the schedules to the Division of Revenue Act. The analysis mainly showed that the information provided in the DORA is inadequate to determine efficiency or effectiveness.

This brief continues the process by analysis the performance information on conditional grants reflected in Annual Reports. This brief specifically focuses on the National Department of Health, firstly providing the funding model for health and secondly evaluating the performance on conditional grants that comprises a large proportion of the funding for health. The information provided should also assist Members with discussions on the funding structures and possible revisions to the equitable share formula and conditional grant frameworks.

It should be noted, although not the main purpose of this analysis, it is important to review policies, programmes and budgets based on needs.

3. Background

Nationally raised revenue is divided between the three spheres of government in the form of an equitable share and conditional grants for specific purposes. The equitable share allocate to local government is divided among municipalities and transferred by the national department responsible for local government.

Conditional allocations to provinces and municipalities from the national government's share of revenue are allocated to provinces and municipalities to supplement the funding of programmes or functions funded from provincial/municipal budgets; specific-purpose allocations to provinces/municipalities; and allocations-in-kind to provinces/municipalities for designated special programmes. Other conditional grants include funds that are not

allocated to specific provinces/municipalities, that may be released to provinces/municipalities to fund an immediate response to a declared disaster or housing emergency.

Health services are mainly provided by the provincial sphere of government and funded through the Provincial Equitable Share (PES), which is allocated according to a formula that reflects demand for services across all nine provinces. They are also funded by transfers from the National Department of Health in the form of conditional grants.

The PES formula consists of six components that take into account changes in demographics and relative demand for services in each of the provinces. The structure of the two largest components of PES, education and health, is based on each provinces demand and need for education and healthcare services. The other four components of the PES are to enable provinces to perform their other functions. These four additional components take into account the population size, the proportion of poor residents, the level of economic activity and the costs associated with running a provincial administration in each province.

4. Overview of the funding model for health

The purpose of the National Department of Health (NDH) is to lead and coordinate health services to promote the health of all people in South Africa through an accessible, caring and high quality health system based on the primary health care approach. This legal mandate makes the National Department of Health the ideal vehicle for implementing National Health Services. Therefore, given its mandate the question is whether the Department should not operate under the "*Department of National Health Services*". The name change could also clarify the separate roles related to the provision of national health services and the implementation of a National Health Insurance (NHI)/Fund as a separate entity that will fund public health services.

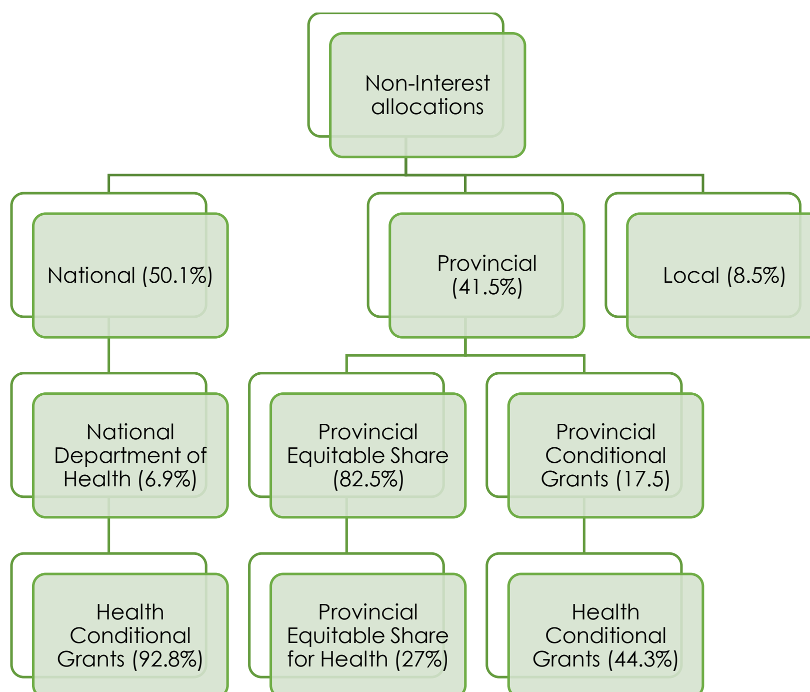
At a provincial level, the Member of the Executive Council (MEC) responsible for provincial health services must ensure the implementation of national health policy and health services norms and standards in his or her province. Provinces receive a PES specific for health purposes as well as health conditional grants to provide provincial health services and to implement national health policies.

Figure 1 shows that the National Department of Health received 6.9 per cent of the 50.1 per cent non-interest allocations to the National sphere of government in 2019/20. The NDH transferred 92.8 per cent of its budget allocation to provinces in the form of conditional grants. The provincial sphere of government received 41.5 per cent of the non-interest allocations of which 82.5 per cent was in the form of a PES and 17.5 per cent in the form of conditional grants.

The health component of the PES formula is weighted at 27 per cent, which is in line with historical expenditure patterns indicating relative needs. The allocations per province is based on each province's risk profile and health system case load or outputs. The output component is, therefore, based on the number of patients visiting or treated at health facilities. The risk profile consists of a risk-adjusted capitation (fixed cost per patient) index and outputs data from public hospitals to estimate each province's share of the health components.

In addition to the PES to provide health services, provinces also received nine conditional grants from the National Department of Health in 2019/20. Health conditional grants amounts to 44.3 per cent of the total conditional grants to provinces. The proportions are also determined by need and historic performance.

Figure 1: Funding structure for health in 2019/20



Data source: 2019 Budget

The conditional grants allocated provided for:

- National tertiary services
- HIV, TB, malaria and community outreach
- Human Papilloma Virus vaccine
- Health facility revitalisation
- Health Professional Training and Development Grant (Direct Grant)
- National Health Insurance Grant: Personal Services Component
- National Health Insurance Grant: Non Personal Services Component
- National Health Insurance Grant: Health Facility Revitalisation Component
- Human Resources Capacitation

5. Methodology

The level of quality and completeness of performance information affects oversight bodies' ability to evaluate performance outcomes on expenditure. To be able to determine efficiency, performance indicators should be specific, relevant and linked to the budget. Effectiveness can be determined only by measuring change over time by measuring impact indicators. Impact indicators are mainly measured over a 5-year period and reflected in the Medium Term Strategic Framework of Government.

Performance information from the 2019/20 Annual Report of the National Department of Health are reflected in tables 1 to 9 (Annexure) and are arranged according to the purpose of the conditional grants, expected output targets and actual outputs achieved. Expenditure against the budget was also added per conditional grants to get an indication of what the efficiency of the expenditure was in 2019/20. Although the performance indicators are mainly output indications, which is not useful to determine the effectiveness of the conditional grants,

specific outputs (in brackets) achieved from the previous financial year were added to the data tables to get an idea of the change in performance over time.

Table 10, compares the purposes of the grants to identify possible duplication between the grants.

6. Observations and evaluation of the performance of the Health Conditional Grants in 2019/20

The PBO's analysis of the information as presented in the tables 1-10 and supporting documents (the 2020 Budget) shows:

The National Tertiary Service Grant:

- A relative small underspending due to delays in delivery of equipment. A rollover has been requested.
- All performance outputs have exceeded the targets.

To increase equitable access to tertiary service across the country, a developmental allocation within the grant was introduced from 2020/21. This is expected to reduce patient referrals to other provinces by bringing tertiary services closer to the patients in provinces where these services are relatively underdeveloped, such as the Eastern Cape, Limpopo, Mpumalanga and North West.

HIV, TB, Malaria and Community Outreach Grant (Direct Grant) (Human Papilloma virus, mental health and oncology and Covid-19: will be added)

- Under-spending of 0.8 per cent (due to: NHLS and ARVs invoices not paid by KZN, misallocation of expenditure by FS & GP)
- Under-performance on TB, HIV and Malaria targets

An overall observation of the performance information provided by the schedules to the DORA 2019 on this conditional grant is meant to support attempts at improving primary health care services as well as efforts to prevent the spreading of sexually transmitted diseases. Over time, specific diseases have been added to the initial purpose of this grant, which was to fund efforts to address the spread of sexually transmitted diseases. The broadened spectrum of trying to fund distinct projects addressed at specific diseases (informed by specific strategic plans and needs) from this conditional grant as well as projects to address primary health care matters diluted the initial purpose of the conditional grant. A more focused funding strategy for each disease should be considered. An important example is the need for specific funding for efforts to end the HIV epidemic, which was the cause of 23.4 per cent deaths in 2019, by 2030.

The community outreach services component of the conditional grant was introduced in 2018/19 to ensure that the training, remuneration and monitoring and evaluation of the performance of community healthcare workers, who play a pivotal role in ensuring access to healthcare to the most vulnerable people in South Africa, is more uniformly standardised. The outputs of the community outreach component involve human resource capacity, training and primary health care services. These outputs make the community outreach component more suitable for a human resources capacity conditional grant, which exists in the health financing system. The annual report indicates that a high number of outreach leaders were trained, but the scale of this training is not reflected in the number of stipends that were paid. It is, therefore, not clear if these trainees also received stipends.

The equitable share formula uses caseload data and primary health care visits to determine the shares of funding to provinces. The funding provided by the HIV, TB, Malaria and Community Outreach Grant (Direct Grant) provides outputs that inform the caseload data

and primary health care visits. This grant could, therefore, be funded through the provincial equitable share. The inclusion of the conditional grant funding into the equitable share could result in improved monitoring of performance due to the quarterly reporting mechanism in place for provinces on programmes to report on expenditure and performance on the equitable share. The performance management and budgeting system for Communicable and Non-Communicable Diseases programme (on a national level) and District health services and Provincial Hospital Services (on a provincial level) programmes could be used for this purpose, with each disease presented in a separate sub-programme. The use of different programme names and purposes of programmes at the national and provincial spheres of government further creates confusion for monitoring purposes.

The Health Facility Revitalisation Grant (Direct Grant)

- Underspending of 3.0 per cent of the transferred amount is reflected
- Only three of five planned new facilities were completed due to poor performance, which caused delays in completion of some capital projects. The Department indicated that additional regular monitoring and oversight tools will be implemented to ensure adequate project execution

National Health Insurance Grant: Health Facility Revitalisation Component (Indirect) *

- There was under-spending of 22 per cent on the original budget allocated for the NHI Grant caused by invoices that were received late.
- The conditional grant also underperformed on the completion of new facilities (2 of 6 completed); facilities maintained (39 of 45 planned) and only two of the planned 10 facilities were upgraded or renovated and refurbished.

An overall observation of the performance information provided by the schedules to the DORA 2019 on the two health facility revitalisation conditional grants is that both grants have the same purpose and outputs. In addition, both conditional grants underperformed. It might be advisable to focus on one effective and efficient conditional grant that attempts to spend the funds efficiently throughout the health system for overall improved services. It should also be noted that both grants are housed in the second largest Health Facilities Infrastructure Management sub-programme (35.4%) in the Hospital Systems programme in the National Department of Health. This sub-programme structure supports the management of health infrastructure as a single conditional grant. The largest sub-programme, Hospital Systems (64.6%) in the Hospital Systems programme, houses the national tertiary services grant that provides mainly for current expenditure and not capital/infrastructure expenditure. This sub-programme structure does not support the purpose of the programme, which is expected to be on Systems and Infrastructure.

However, at a provincial level, a Health Facilities Management programme provides for separate sub-programmes for different health facilities and the Central Hospital Services programme provides for Central Hospital Services and Provincial Tertiary Hospital Services.

Health Professional Training and Development Grant (Direct Grant)

- Almost the full transferred amount for the conditional grant was spent.
- The recruitment of specialists and other staff was slow. The reason for the slow recruitment was due to the need to obtain approval from Provincial Treasury or Premiers Offices for these appointments in some provinces.
- This is the only grant that shows the number of administration staff (of 23) as an output.

Full expenditure without performance raises questions about the credibility of the budget and whether there was efficient expenditure of the funds. If such a relatively small grant, with only 4 outputs, requires 23 administrative staff members, other conditional grants might then require much more. The cost of administration should play a crucial role in structuring the funding of a sector.

In an effort to improve efficiency, the department merged the HPTD grant with the human resources capacitation grant in 2020/21. The training component is focusing mainly on recruiting registrars although other categories are still funded.

Human Papilloma Virus

- There was underspending of 19 per cent on the original budget allocated for this grant.
- The planned vaccination of 80 per cent of 9-year old girls was almost met (76.7%)

This conditional grant has been merged with the HIV, TB, Malaria and Community Outreach Grant (Direct Grant). See comments above on this conditional grant.

National Health Insurance Grant: Personal Services Component (Indirect)

- The department spent 13 per cent of this budget
- No district level observations for psychiatric services, clinical psychological services and forensic mental services were provided
- There was no spending on General Practitioner Contracting (Capitation)

The reason given for not contracting private health professionals was non- compliance of health professionals to supply chain management requirements. A capitation model was, however, developed but was not implemented due to capacity challenges to implement the reimbursement model. (In future the contracting of health professionals will be decentralised to the Provincial Departments of Health). Progress on the implementation of the capitation model should be monitored closely to ensure access to health services. It should also be noted that the National Development Plan requires the development of a human resource plan for the health sector. Performance on this requirement is crucial to ensure the implementation of an inclusive health service.

The combination of the conditional grants aimed at improving human resources required for a National Health Service (National Health Insurance Grant: Personal Services Component) and the Human Resources Capacitation (HRC) Grant should be considered. The combined grant should be aimed at assisting the implementation of the Health Strategic Plan for 2019/20-2024/25.

National Health Insurance Grant: Non Personal Services Component (Indirect)

- The Department has spent only 64 per cent of the original budget allocated for this conditional grant
- The Department performed or over-performed on the planned outputs
- 381 731 more patients were enrolled in the chronic medicines dispensing and distribution (CCMDD) programme – This output is more suitable in a programme that supports the modernisation of health systems.

Although a phased implementation of national health insurance is planned, the performance outputs or the budget for this grant should be reviewed. Such review will ensure the implementation of the different health systems (stock, dispensing, registration, etc.) that are

required for the implementation of a proper national health service and to prevent under-spending or over budgeting for services that are already provided by the health sector.

One of the central aspects of the 2017 National Health Insurance White Paper is the establishment of the National Health Insurance Fund as a public entity. Funds were reprioritised to the National Health Insurance programme for establishing a capacitated unit within the department. This unit will be transferred to the new entity once it is created.

Prior to the formation of the National Health Insurance Fund, national health insurance will largely be funded through the national health insurance indirect grant, which is managed and spent by the national department on behalf of provinces. The grant was initially comprised of three components. The non-personal services component funds initiatives to strengthen the health system in preparation for national health insurance. These include information systems, the ideal clinic initiative, the centralised dispensing and distribution of chronic medicines, including antiretroviral drugs, and the piloting of the national quality health improvement plan.

The second component was allocated towards a personal services component to contract private general practitioners to provide primary health care services in their own practices. The allocations and scope of the component has been significantly narrowed, and has been changed to a direct conditional grants (National Health Insurance Grant) to provinces. These reallocations include funding for the contracting of general practitioners to do session work in public primary health care facilities, and to strengthen the provision of mental health and oncology services.

The third part of the national health insurance indirect grant was the health facility revitalisation component. This component remains the same although the ideal is to merge this conditional grant with the direct Health Facility Revitalisation Grant (see above) *.

Human Resources Capacitation (HRC) Grant [now merged with Health Professional Training and Development Grant (Direct Grant)]

- Over-expenditure as well as over-performance on this conditional grant was due to the statutory obligation to place medical interns for completion of their studies.

Finally, an observation drawn from comparing some of the data collected/outputs from the grant shows that this data seems similar to the information used to determine the proportions per province in the equitable share formula. The grant funding could possibly, therefore, be included in the equitable shares to provinces. This inclusion may not only improve regular reporting on performance to Parliament, but may also improve efficiency of conditional grant spending.

Alternatively, if human resource requirements are not included in the provincial equitable share formula, a review of grant structures should be considered. To ensure greater efficiency and more effective provision of human resources for a national health service a further consolidation of the Human Resources Capacitation (HRC) Grant, Health Professional Training and Development Grant (Direct Grant) and the National Health Insurance Grant: Personal Services Component should be considered. A more focused and consolidated strategy and funding model could assist in addressing the human resource capacity, attitude of staff, safety and quality of care in health facilities.

7. Conclusion

According to Money Bills and Related Matters Act of 2009, Members of Parliament, including Members of the Appropriations and Finance committees are required to do oversight of the

implementation of the budget. The oversight process includes the monitoring of expenditure and analysis of performance. The PBO assists Member of Parliament on an ongoing basis with the analysis of government departments' budgets and performance. This brief specifically focusses on the health sector, in terms of the structure of funding and the performance of conditional grants during the 2019/20 financial year.

Some of the main performance findings for possible further discussion are:

- The delivery on infrastructure projects remains one of the biggest failures in the health sector.
- Information systems for controlling stock, managing dispensing, registering of patients, and capturing of data are still not in full operation in the health sector.
- The finalising and implementation of the Health Human Resource Strategic Plan for 2019/20-2024/25: The Plan should address all the human resource failures such as workforce projections, skills mix, education, training and developments, recruitment and deployment of staff
- The duplication of funding for the same purpose or outputs within the conditional grant frameworks
- Funds are not available to managers and frontline providers, with flexibility to manage it according to their local needs. This might be a restriction of funding health through a conditional grant.
- The Department indicated that the funding structure for the health sector will only be reconfigured once the National Health Insurance Bill, is enacted. One of the central aspects of the bill is the establishment of the National Health Insurance Fund as a public entity and should not be the cause of not improving the current funding structures, infrastructure and human resource capacity to provide a proper health service.

Annexure

Table 1: National Department of Health: National Tertiary Service Grant

Purpose of the grant	Outputs	Expected outputs	Actual outputs
• Ensure provision of tertiary health services in South Africa • To compensate tertiary facilities for the additional costs associated with provision of these services	• Inpatient separations • Day patient separations • Outpatient first attendances • Outpatient follow up attendances • Inpatient days	644 876 388 399 1 210 403 2 945 919 4 055 840	778 648 464 416 1 563 302 3 136 458 4 939 695 (3 916 211 in 2018/19)
Transferred amount per amended DORA (R'000)	**Original budget: R13 185 528**	**Transferred: R13 468 134**	**Spent: R13 306 531** (R12 162 961 spent in 2018/19

Table 2: National Department of Health HIV, TB, Malaria and Community Outreach Grant (Direct Grant)

Purpose of the grant	Outputs	Expected outputs	Actual outputs
HIV and AIDS Component: To enable the health sector to develop and implement an effective response to HIV and AIDS and TB Prevention and protection of health workers of exposure to hazards in the workplace	**HIV and AIDS Component:** • new patients that started on ART • patients on ART remaining in care • male condoms distributed • female condoms distributed • exposed infant HIV positive at 10 weeks PCR test • clients tested for HIV (including antenatal) • Medical Male Circumcision performed • patients on ART initiated on isoniazid preventative therapy (IPT) • adherence clubs • patients participating in adherence clubs	**HIV and AIDS component:** • 800 000 • 5 800 000 • 990 318 436 • 40 000 000 • 1 200 • 14 000 000 • 800 000 • 565 494 • 30 000 • 900 000	**HIV &AIDS Component:** 725 201 (692 397 in 2018/19) 5 015 476 (4 629 831) 642 886 644 16 632 792 1 284 18 829 648 413 057 508 351 patients on ART initiated on isoniazid preventative therapy

Purpose of the grant	Outputs	Expected outputs	Actual outputs
TB Component: To enable the health sector to develop and implement an effective response to TB	**TB Component:** • missing undiagnosed TB infected persons found • clients initiated on new DR-TB drug • TB screening in facility rate • % of all TB clients started on treatment • % of confirmed TB Rifampicin Resistant started on treatment • % TB client treatment success rate • Number of people testes for TB using Xpert • % of hospitals implementing the urine lipoarabinomannan assay (LAM) test • % TB client loss to follow up rate	**TB Component:** • 80 000 • 10 000 • 95% • 95% • 70% • 95% • 2 916 760 • 100% • 5%	**TB Component** • 43 076 • 8 411 • 82% • 96% • 89% • 78% (75% in 2018/19) • 2 076 726 • • No data available • 16.3%
Community Outreach Services Component: To ensure provision of quality outreach services through WBPHCOTs To improve the efficiencies of the WBOT programme by harmonising and standardising and strengthening performance monitoring	**Community Outreach Services Component:** • Community Health Workers receiving stipend • Community Health Workers trained • Outreach Team Leaders trained • Number of under 5 years seen • 5 years and above seen • HIV defaulters traced • TB defaulters traced	**Community Outreach Services Component:** • 49 057 • 20 000 • 2 000 • 2 000 000 • 4 000 000 • 313 687 • 26 392	**Community Outreach Services Component:** • 45 880 • 29 184 • 3 569 • 6 509 680 • 20 435 787 • 313 687 • 26 392
Malaria Component: To enable the health sector to develop and implement an effective response to support the effective implementation of the malaria elimination strategic plan	**Malaria Component:** • % of malaria endemic municipalities with > 95% indoor residual spray (IRS) coverage • % confirmed cases notified with 24 hours of diagnosis in the endemic districts	**Malaria Component:** 20% 50% 50%	**Malaria Component** 13% 43% 53%

Purpose of the grant	Outputs	Expected outputs	Actual outputs
	• % of confirmed cases investigated and classified within 72 hours in the endemic districts • % confirmed cases receiving recommended treatment • % of identified health workers trained on malaria elimination • % of social mobilisation information education and communication (IEC) campaigns conducted • % of vacant funded malaria positions filled	90% 80% 80% 50%	65% and 74% 110% 71% 98 %
Transferred amount per amended DORA (R'000)	**Original budget:R22 038 995**	**Transferred: R22 076144**	**Spent: R21 900 654**

Table 3: Health Facility Revitalisation Grant (Direct Grant)

Purpose of the grant	Outputs	Expected outputs	Actual outputs
• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organizational development systems and quality assurance • To enhance capacity to deliver health infrastructure • To accelerate the fulfilment of Occupational Health and Safety	• new facilities completed • facilities maintained • facilities upgraded and renovated • facilities commissioned in terms of Health Technology	• 5 • 60 • 16 • 26	• 3 (14 of 25 in 2018/19) • 60 • 16 • 26
Transferred amount per amended DORA (R'000)	**Original budget:R6 006 973**	**Transferred: R6 441 072**	**Spent: R6 238 423** (R6 072 743 in 2018/19)

Table 4: Health Professional Training and Development Grant (Direct Grant)

Purpose of the grant	Outputs	Expected outputs	Actual outputs
Support provinces to fund service costs associated with clinical teaching and training of health science trainees on the public service platform	• Number of specialists • Number of registrars • Number of medical officers • Number of clinical supervisors/trainers per category in Nursing, EMS and allied health and pharmacy • Number of grant administration staff	• 370 • 1 335 • 325 • 901 • 23	• 284 (380 in 208/19) • 1 369 • 304 • 851 • 11
Transferred amount per amended DORA (R'000)	**Original budget:R2 940 428**	**Transferred: R2 974 091**	**Spent: R2 945 938** (R2 793 218 in 2018/19)

Table 5: National Health Indirect Grant: Human Papillomavirus Vaccine Component

Purpose of the grant	Outputs	Expected outputs of the grant	Actual achieved
To enable the health sector to prevent cervical cancer by making available HPV vaccination for grade four schoolgirls in all public and special schools	• Percentage of grade four schoolgirls aged 9 years and above vaccinated for HPV • Percentage of schools with grade four girls reached by the HPV vaccination team	• 80% • 80%	• 76.7% • 84.7% (83.1% in 2018/19)
Transferred amount per amended DORA (R'000)	**Original budget: R211 200**	**Transferred: R170 594**	**Spent: R170 375** (R179 481 in 2018/19)

Table 6: National Health Insurance Grant: Personal Services Component

Purpose of the grant	Outputs	Expected outputs of the grant	Actual outputs achieved
To expand the health care benefits through strategic purchasing of services from health care providers	• Number of health professional contracted • Number of health professionals contracted through capitation arrangements • Percentage reduction in the backlog of forensic mental observations • Number of patients receiving radiation oncology • Number of people with mental health problems seen by a psychiatrist or psychologist at district level	• (240 GPs, 10 psychiatrists, 20 clinical psychologists) • 10 arrangements • 100% • 7 000 • 22 000	• 0 • 0 • 0% • 9 149 • 0
Transferred amount per amended DORA (R'000)	**Original budget:** R489 000	**Transferred:**	**Spent:** R64 940

Table 7: National Health Insurance Grant: Non Personal Services Component

Purpose of the grant	Outputs	Expected outputs of the grant	Actual outputs achieved
• To expand the alternative models for dispensing and distribution of chronic medication	• 3 000 000 patients enrolled for receiving medicines through the centralised chronic	• 3 000 000	• 3 381 731

Purpose of the grant	Outputs	Expected outputs of the grant	Actual outputs achieved
• To fund the development of and roll out of new Health Information Systems in preparation for NHI • To develop a risk-adjusted capitation model for the reimbursement of Primary Health Care • To enable health sector to address the deficiencies in the Primary Health Care facilities systematically to yield fast results	medicines dispensing and distribution (CCMDD) programme • Number and percentage of PHC facilities peer reviewed • Number and percentage of PHC facilities achieving an ideal status • Number of PHC facilities and hospitals implementing the Health Patient Registration System • Number of individuals from the population registered on the NHI Patient Beneficiary Registry • Number of PHC facilities implementing an electronic stock replenishment system • Number of hospitals implementing an electronic stock replenishment system • A base capitation model for the reimbursement of PHC facilities implemented	• 500 and 14% • 1 800 and 51% • 3220 • 40 000 000 • 3290 • 385 •	• 467 and 94% • 1 906 and 56% • 3 059 PHC facilities and 34 hospitals • 45 286 288 • 3 300 • 378 • not implemented
Transferred amount per amended DORA (R'000)	**Original budget:** R758 000	**Transferred:** R633 000	**Spent:** R487 397

Table 8: National Health Insurance Grant: Health Facility Revitalisation Component

Purpose of the grant	**Outputs**	**Expected outputs of the grant**	**Actual output**
To create an alternative track to improve spending, performance, as well as monitoring and evaluation on infrastructure in National Health Insurance (NHI) To enhance capacity and capability to deliver infrastructure for NHI To accelerate the fulfilment of Occupational Health and Safety	• Number of new facilities completed • Number of facilities maintained • Number of facilities upgraded and additions/ renovated and refurbished	• 6 • 45 • 10	• 2 • 39 • 2
Transferred amount per amended DORA (R'000)	**Original budget:**R1 100 000	**Transferred**: R856 411	**Spent:** R852 879

Table 9: Human Resources Capacitation (HRC) Grant

Purpose of the grant	**Outputs**	**Expected outputs of the grant**	**Actual output**
To capacitate health care service through the appointments of health care providers	• Number of health professionals appointed • Percentage reduction in vacancy rate on categories on funded and non-funded posts	• 1 500 • 5%	• 3 139 • 0 %
Transferred amount per amended DORA (R'000)	**Original budget**: R605 696	**Transferred:** 905 696	**Spent:** 916 933

Table 10: Comparison of purposes of specific conditional grants

National Tertiary Service Grant	Health Professional Training and Development Grant (Direct Grant)	Human Resources Capacitation (HRC) Grant	National Health Insurance Grant: Personal Services Component	National Health Insurance Grant: Health Facility Revitalisation Component	Health Facility Revitalisation Grant (Direct Grant)
• Ensure provision of tertiary health services in South Africa • To compensate tertiary facilities for the additional costs associated with provision of these services	• Support provinces to fund service costs associated with clinical teaching and training of health science trainees on the public service platform	• To capacitate health care service through the appointments of health care providers	• To expand the health care benefits through strategic purchasing of services from health care providers	• To create an alternative track to improve spending, performance, as well as monitoring and evaluation on infrastructure in National Health Insurance (NHI) • To enhance capacity and capability to deliver infrastructure for NHI • To accelerate the fulfilment of Occupational Health and Safety	• To help accelerate construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in health including, health technology, organizational development systems and quality assurance • To enhance capacity to deliver health infrastructure • To accelerate the fulfilment of Occupational Health and Safety