

# **Presidential Health Summit**

## **Commission 2:** **Supply Chain Management**

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# Actionable Points

## **Our Point of Departure: SCM for a Strong NHI**

**How do we build the foundations for an equitable and universal NHI by capacitating the public health sector to deliver on its mandate by drawing on the best available local and international expertise**

**We must ensure our supply chain management system is unequivocally patient centred**

**Actively engage legislative consequences of new Supply Chain Management trajectory (e.g. PFMA, patent laws, standards and regulations of medical equipment)**

## **Our Consensus on Actionable Outcomes**

### **Medical equipment & medical consumables**

- **Require a (i) Health Technology Advisory Committee and (ii) Medical Consumables Advisory Committee similar to a Pharmaceutical Therapeutics Committee**
- **Consult end user on appropriate clinical equipment and medical consumables which should be standardised into catalogue and standardize use with clinicians**
- **Database with medical equipment specifications where equipment is also defined in clinical and/or functional terms**

# Consensus (ii)

## ■ **The Procurement Process**

### ■ **Centralised procurement system with the pros being:**

- **Address corruption**
- **Economy of “skills” and economy of scale**
- **Universal outcomes for all patients regardless of location (the key imperative for the NHI)**

### ■ **Standardisation of a procurement system at national and provincial levels**

### ■ **Capital equipment purchases should have SLA and performance management process with suppliers**

### ■ **Critical to procurement is an IT system similar to an Enterprise Resource Planning (ERP)**

### ■ **National Treasury: develop specific policies for NHI focused health care procurement**

### ■ **Establish timely payment system of suppliers to avoid stock-outs**

## ■ **Training/Human Resource Capacitation**

### ■ **Establish strong governance structures at all levels of the supply chain**

### ■ **Supply chain, including planning functions**

### ■ **Clinical engineers for complex bio-medical equipment and technicians**

# Consensus (iii)

- **Indigenisation of Pharmaceutical Production and Knowledge Capacity**
  - **Ensure we establish knowledge/skills capabilities for local pharmaceutical manufacture and production – ‘de-commodify’ essential medicine supply to put meet patient and national fiscal imperatives.**
  - **Establish competitive state pharmaceutical company drawing on international practice**
    - **Immediate short-term: State owned company must develop expert capability to source products internationally**
  - **Support innovative private sector initiatives rooted in social responsibility ethos**
  - **Research and Development: ensure state owned company is innovative, competitive and highly enskilled (eg India)**