



Province of the
EASTERN CAPE
HEALTH

Office of the MEC for Health

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| Our Reference: | B. Mdoda | Your Reference: | |
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TO : HANSARD AND HOUSE BUSINESS

FROM : MEC FOR HEALTH

SUBJECT : RESPONSES TO IQP NO 10 WITH QUESTION NO 245 & 246 FOR WRITTEN REPLY

246. Ms J Cowley to ask the MEC responsible for Health:

Noting that the Department of Health is reportedly facing a severe financial crisis as a result of contingent liability which currently stands at approximately R37 billion, accruals in excess of R4 billion at the end of the 2020/2021 financial year and the fact that at least 10% of this year's budget was already spent before the financial year commenced:

| QUESTION | RESPONSE |
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| (1) What total amount has her Department paid for medico-legal claims in the 2020/21 financial year as at the latest specified date for which information is available; | The Department has paid R921,188,186.84 for medico-legal claims in the 2020/21 financial year as at 31 March 2021 for which information is available |
| (2) what was the total value of accruals owed by her Department as at the end of March 2021; | The unaudited Accruals and Payables for Goods and Services are R4,037 billion. This figure is being verified by HO Finance Team at districts and institutions and the final figure will be disclosed in 2020/21 Annual Financial Statements to be submitted to the Auditor General for audit on 31 May 2021 |
| (3) what is the value of accruals owed by her Department to date; | The To-Date Accruals and Payables (which is April 2021) will be available on 21 May 2021 |
| (4) of the total her Department's budget for the 2021/22 financial year of R26 billion, how much does her Department realistically have in order to function in the current financial year, excluding extra COVID-19 funding and after the pre-financial year spend, the settlement of accruals and the payment of medico-legal claims; | Of the total budget for the Department for the 2021/22 financial year of R26,5 billion, it is estimated that in real terms, the Department realistically has approximately R22,3 billion in order to function in the current financial year, primarily as a result of projected payables and accruals of R4.4 billion vesting at year end as well as unfunded and unbudgeted medico legal settlements. |
| (5) what percentage of the remaining budget (excluding COVID-19 funding) her Department anticipates will be spent on | Of the remaining budget, the Department anticipates spending 80% on personnel costs (split medical and allied personnel: 80.15%; non- |

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| (a) administration, (b) non-medical personnel, (c) medical personnel and (d) goods and services? | medical personnel: 19.85%) 7% on goods & services, 6% on transfers & subsidies and 7% on payments for capital assets |
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