

**MEC FINANCE SPEECH IN SUPPORT OF THE BUDGET VOTE:
DEPARTMENT OF HEALTH**

18 MARCH 2018

Honourable Speaker;
Premier;
Members of the Executive Council and
Members of the Free State Legislature
Ladies and Gentlemen;

The 2018 State of the Nation Address outlined our main health priorities including those that have become embedded in our national discourse such as HIV and AIDS, TB and the National Health Insurance. In addition to these priorities, we have experienced an increase in the incidence of non-communicable diseases (NCDs), the so-called diseases of lifestyle like diabetes and hypertension.

The stark reality of the challenges faced by the global health sector is summarized in a single sentence by the World Health Organization (WHO) as it was raising awareness about the commemoration of World Cancer Day on 4 February 2018. The WHO stated; “Nearly every family in the world is touched by cancer, which is now responsible for almost one in six deaths globally.”

The *Global Burden of Disease Cancer Collaboration* estimates in its article “A Systematic Analysis for the Global Burden of Disease Study” that new cases of cancer increased globally by 33 per cent between 2005 and 2015. It also highlighted the following global statistics;

- By 2015, there were 17.5 million cancer cases worldwide and 8.7 million deaths.
- The most common forms of cancer globally are breast cancer, lung cancer, and colo-rectal cancer.
- Lung and colo-rectal cancers top the list of those causing the greatest number of deaths, followed by stomach and liver cancers.
- Cancer had, in fact, become the second leading cause of death worldwide behind cardiovascular diseases by 2015.

(Global, Regional, and National Cancer Incidence, Mortality, Years of Life Lost, Years Lived With Disability, and Disability-Adjusted Life-years for 32 Cancer Groups, 1990 to 2015, published December 2016)

In May 2017, Member States of the World Health Organization came together around priority actions to ensure cancer care for all. The approved World Health Assembly resolution "*Cancer prevention and control in the context of an integrated approach*" (WHA A70/A/CONF./9) lays out a clear road map to realize the potential for prevention, early diagnosis, prompt treatment and palliative care for people with cancer.

Following the adoption of this resolution, governments have been enacting and strengthening evidence-based risk-reducing strategies such as imposing higher taxes on tobacco and alcohol, promoting healthy diets and physical activity as well as advocating for access to HPV vaccination. These have all been key characteristics of our health programmes over the past few years.

There is little doubt that South Africa is taking strain under the rising incidence of cancer itself. In 2012, medical journal *Lancet* published a study that predicted South Africa could see a 78 % increase in cancer cases by 2030, with a 75% increase expected globally. The cancer burden of South Africa recorded in 2015 included the following key findings;

- The latest Stats SA figures shows a steady increase in deaths attributable to cancer from 5.6% in 2006 to 9.1% in 2015.
- In 2015, there were 114 thousand and 091 (114 091) new cancer cases in South Africa and a total of 58 thousand, 2 hundred and 37 deaths (58 237) from various forms of the disease.
- Lung cancer, cervical cancer, and oesophageal cancer are the three deadliest cancers in South Africa, and accounted for 19 thousand, 1 hundred and 60 (19 160) deaths in 2015.
- In South Africa, breast cancer is the most common cancer for women, but cervical cancer is the deadliest, with 5 thousand, 4 hundred and 06 (5406) female deaths in 2015. Other top cancer causes of death for women were breast, lung, and colo-rectal cancers.
- For men, prostate cancer resulted in the highest number of new cases, but lung cancer was the number one killer, causing 5 thousand, 7 hundred and 26 (5726) male deaths. Prostate, oesophageal, colo-rectal, and liver cancers were the other leading causes of cancer death for South African men.

Hon. Speaker, let me acknowledge that we are fortunate to have the calibre of a medical specialist such as Dr Alicia Sheriff as our Head of Oncology in the Free State. Amongst her very impressive qualifications and CV, we must acknowledge that she is the President of the College of Radiation Oncologists and also serves on the National Department of Health's group for the development of best guidelines and cost-effective oncology treatment.

Our Free State statistics for 2017 indicate the extent of the disease burden on our Oncology Unit (based at the National Hospital Annex under management of Universitas Hospital);

- 17 thousand, 8 hundred and 88 (17 888) follow-up patients at our Out-Patient Department were seen
- 2 thousand 050 (2050) new patients - of which 240 were from the Northern Cape and 285 from Lesotho – were seen
- Our 4 oncology wards have a bed occupancy of between 80 % to 90 %
- The Chemotherapy Room have at least 25 patients per day totalling 5 thousand 413 (5413) for the year 2017
- The Radiation Unit treated 7 thousand 099 (7099) patients, totalling 46 thousand 967 (46 967) treatments
- Our 4 most common cancers in 2017 was cervix cancer (449 new patients), breast cancers (327 new patients), prostate cancer (257 new patients) and head and neck cancers (200 new patients)
- On average, 41 % of adult deaths at the Universitas Academic Complex in 2016/17 was cancer related.

These statistics highlights the imperative for our health sector to respond timeously and appropriately to the increased incidents of cancer but also to create the appropriate research, policy and awareness environment.

In August last year, Health Minister Aaron Motsoaledi launched two critical cancer policies namely, Cervical and Breast Cancer policies aimed at addressing the high mortality caused by these cancers, the management of the condition as well as improving the quality of life of women in South Africa. Breast and Cervical cancers have been identified amongst the leading cause of deaths among South African women, especially women aged 30 years and older.

The Cervical Cancer Prevention and Control Policy will assist to prevent the disease by promoting healthy lifestyles and provides for the HPV vaccination whilst the Breast Cancer Control Policy focuses on breast cancer awareness, early detection, treatment and care. The implementation of these policies will provide clinical support for women, who are both at risk of developing the disease later in life and currently undergoing treatment to survive and live healthy lives.

Our fight against cancer will undoubtedly also be influenced by the substantial costs associated with not only detection but also treatment of the disease. Again, this is not only a national characteristic but a global phenomenon. In June 2016, the IMS Institute for Healthcare Informatics released a study finding that the global oncology drug market is expected to reach \$150-billion by 2020. This is an increase from \$107-billion in 2015 – registering annual growth rate of 7.5% to 10.5% until 2020.

A rough estimate of average costs relating to breast cancer treatment in South Africa in 2015 can be illustrated as follows;

General consultation	R590
Breast biopsy	R17 000
Scans: bone, MRI, genetic testing	>R30 000
Mastectomy	R62 000 (average cost in 2015)
Reconstructive surgery	R50 000 - R140 000
Hormonal therapy	R650 - R2 500 per month
Chemotherapy	R25 000 for 4 cycles and over R140 000 for 6 cycles
Radiation therapy	R51 000 - R112 000 for 5 to 6 weeks of treatment

These are just examples of direct medical costs and do not include the costs of transport for treatment and lifestyle adaptations, e.g. dietary requirements.

The NGO sector has raised the escalating costs of cancer drug treatments sharply. In 2017, the *Cancer Alliance* and *Fix The Patent Laws campaign* (a campaign of the TAC) jointly published a study of 24 life-saving cancer medicines. Of the 24 medicines, 15 are available in India for less than half of the price offered to the South African private sector.

In the most extreme case, a year's supply of lenalidomide – used in treatment of Multiple Myeloma - is priced at R882,000 in South Africa and less than R32,000 in India.

The Competitions Commission announced in June 2017 that it would launch an investigation into excessive pricing of cancer medication. The investigation was initiated against Roche Holding AG, which includes its US-based biotechnology company Genentech Incorporated, Pfizer and Aspen Pharmacare. The focus of the investigation into Roche Holding AG includes excessive pricing, price discrimination and exclusionary conduct in the provision of breast cancer medicine. The focus of the investigation of Pfizer relates to suspected excessive pricing of lung cancer medication. Aspen Pharmacare was also included in the probe as the Commission believed that it abused its dominance in the sector by charging excessive prices for lifesaving cancer medication.

The Minister of Health recently contextualized the financial costs of cancer treatments when he made reference to the costs of a new drug for breast cancer. "Herceptin costs R24 000 per dose and the course of treatment is 17 doses. Basically, you are asking a woman with breast cancer to pay R24 000 x 17 times and that's impossible for most women. For colorectal cancer; its R910 000 just to go through a course of treatment."

It is not only the cost of medication that presents particular challenges but also equipment. In our own provincial context, the cost to purchase 2 Computed Tomography (CT) scans amounted to just over R11 million with an annual service contract of approximately R1.5 million. The replacement value of the two CTs are estimated at R16.8 million. In addition, the total current replacement value of linear accelerators, treatment planning

systems, brachytherapy and oncology information system is estimated in excess of R225 million.

One becomes more acutely aware of the major financial impact that this one area of health care has on our provincial health profile when the costs are added of the highly specialized medical professionals required to provide the treatment and care for cancer patients.

One aspect that we should prioritize for attention is the provision of adequate palliative care facilities. Currently, our patients receive palliative care at our hospitals whereas such care could be more optimally provided at hospice, frail care, sub-acute or step-down facilities.

Hon. MEC Komphela emphasized during our provincial celebration of World Cancer Day that; "... cancer no longer needs to be viewed as a death sentence as the capacity exists to reduce its burden and improve the survival and quality of life of people living with the disease."

Education and raising awareness about the causes of cancer are essential tools in our fight against this disease. Government will be collaborating with the private and non-governmental sectors to implement a campaign that will focus on prevention, early detection, testing and treatment of cancer.

Individually, we each have a responsibility towards ourselves, our children and our communities to ensure that we get the basics right in our fight against cancer. This includes;

- quitting smoking and avoiding (or at the very least reducing) alcohol consumption;
- exercising regularly and adopting healthy diets
- taking appropriate measures against exposure to the sun
- being aware of environmental factors
- being aware of signs and symptoms and
- using opportunities to get preventative vaccinations such as the HPV vaccine.

Hon. Speaker, let me conclude by appreciating the contribution of the non-governmental sector in the ongoing fight against cancer. From raising awareness and providing essential information to cancer patients and their families, to undertaking critical research and development studies as well as advocacy, our NGO sector is an invaluable partner in our fight against cancer.

I thank you.
