

2. Input Indicators

2.1 Per Capita Expenditure on Primary Health Care (excluding district hospitals)

Per capita primary health care (PHC) expenditure measures the total amount spent on PHC on each person in the district without medical aid cover. This indicator is useful in assessing the extent of equity in the distribution of PHC resources across districts. The use of population without medical aid (instead of total population) in calculating this indicator is to reflect those people who use the public health sector. The average PHC expenditure in South Africa for 2005 was R232. In 2001 the average was R168.

District View

There is significant variation in the PHC per capita expenditure across health districts with Bophirima having the highest of R416. This is three and a half times more than the lowest expenditure of R115 in Greater Sekhukhune. Although this range may be considered large, compared with the nine fold difference in 2001 between the highest spending district and the lowest spending district, this signifies considerable progress towards a more equitable distribution of resources.

Although the gap between the highest and lowest spending districts has reduced, resources are not necessarily being targeted at those districts with the greatest need. Out of the five best funded districts, three of them are in the top socio-economic quintile whilst only one of the five least funded districts is from the highest socio-economic quintile.

Map 2: Per capita non-hospital expenditure on primary health care in South Africa, 2005/06

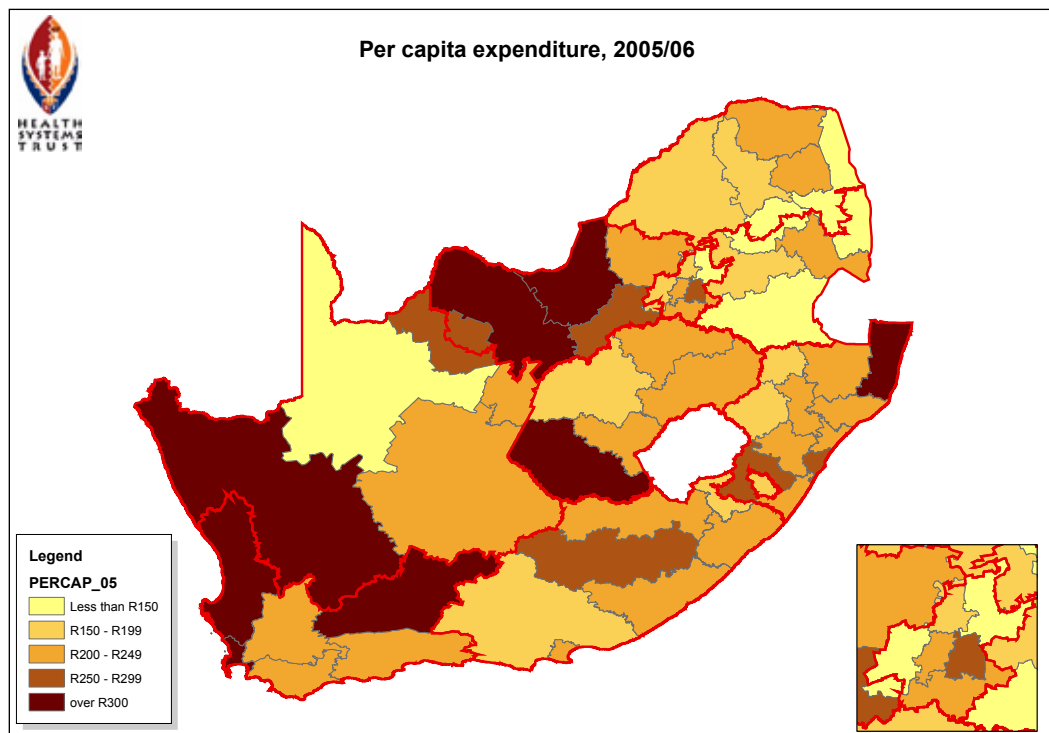
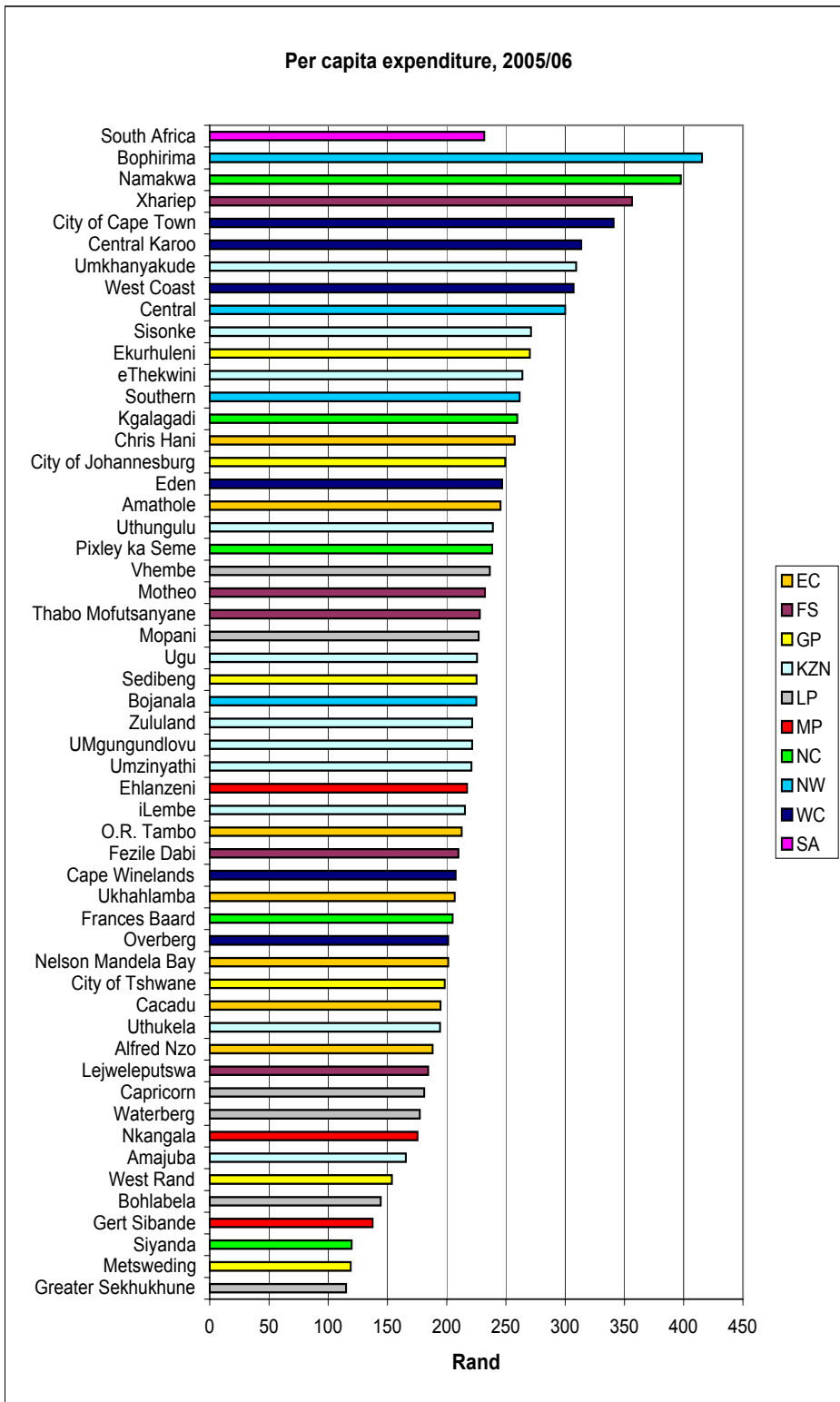


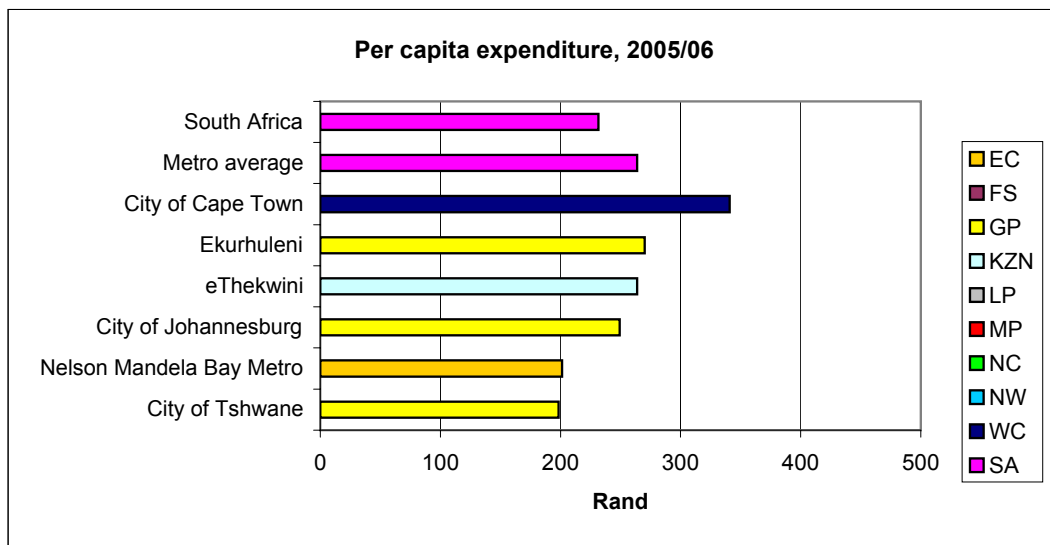
Figure 5: Per capita non-hospital PHC expenditure by district, 2005/06



Metro View

The average per capita expenditure in metropolitan districts is R264, about 15% higher than the national average with Nelson Mandela and Tshwane below the national average. Cape Town has the highest per capita expenditure of R341, while Tshwane has the lowest at R199.

Figure 6: Per capita non-hospital PHC expenditure in the metro districts, 2005/06

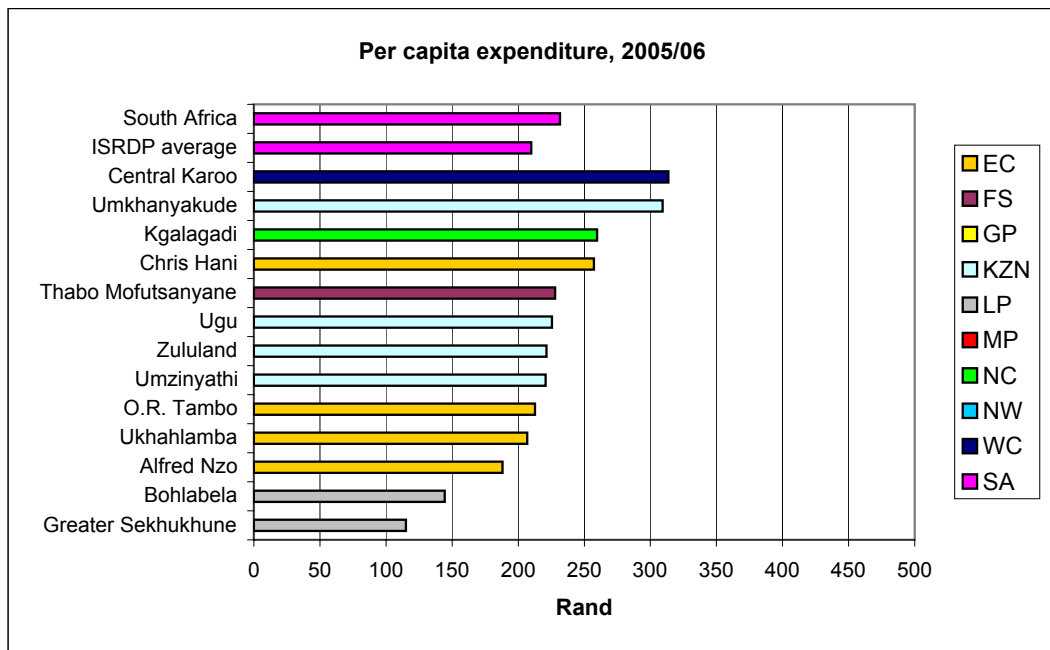


Rural Nodes

As shown in Figure 7, the average per capita PHC expenditure in rural nodes is slightly below the national average. Most of these districts are clustered around the average, but per capita expenditure in Bohlabela (R145) and Greater Sekhukhune (R115) are significantly lower than the rest. Considering that these districts have been identified for targeted development, it is surprising that they are both in the lowest 5 districts overall. In particular, Greater Sekhukhune, which is one of the most deprived districts in SA, spent the lowest amount of money per capita on PHC of any district in SA. This is not in line with the principle of equity, one of the principles that underpins the district health system in SA.

On the other hand Central Karoo and Umkhanyakude have impressive expenditure on PHC and are ranked 5th and 6th in SA respectively in terms of per capita expenditure.

Figure 7: Per capita PHC expenditure in the rural nodes, 2005/06



Change in per capita PHC expenditure from 2001 to 2005

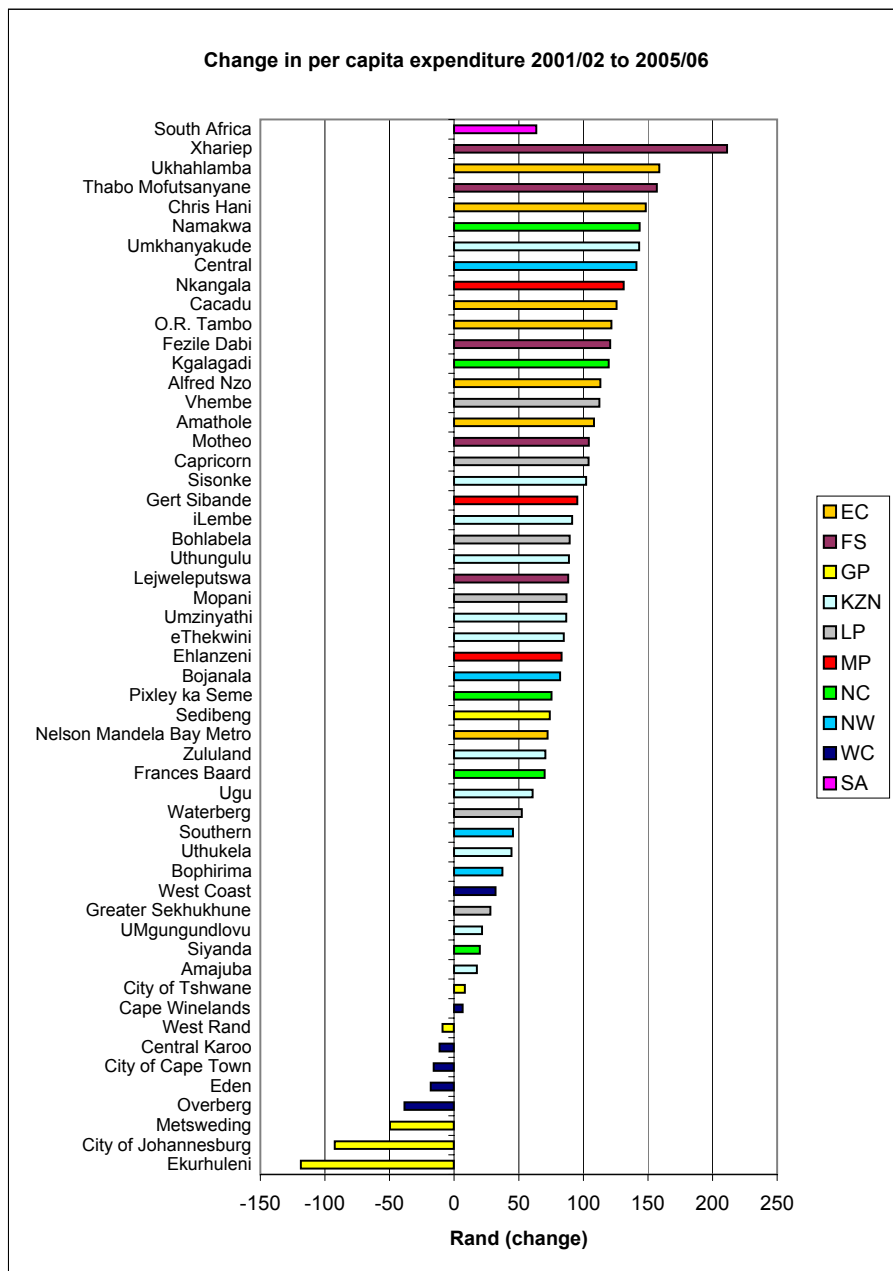
Figure 8 illustrates the changes in non-hospital PHC expenditure per capita from 2001 to 2005. Per capita expenditure increased overall by R64. This represents an average annual increase of 8%, which is higher than inflation and higher than the health budget is increasing overall, and this shows some degree of prioritisation of PHC.

District View

Xhariep had the highest increase of R211 whilst Ekurhuleni had a reduction of R119. All but eight districts showed increases. A total of 33 districts increased their per capita PHC expenditure by more than the national average.

The eight least funded districts in 2001 are among the districts that increased their per capita expenditure by R90 or more. Also, six of the districts that experienced a reduction in per capita expenditure were among the ten districts with the highest per capita expenditure in 2001. Three of these are the metropolitan districts of Johannesburg, Cape Town and Ekurhuleni. This is a clear indication of progress towards a more uniform and equitable PHC expenditure across districts.

Figure 8: Change in per capita non-hospital PHC expenditure (2001/01 to 2005/06) by district



Rural Nodes

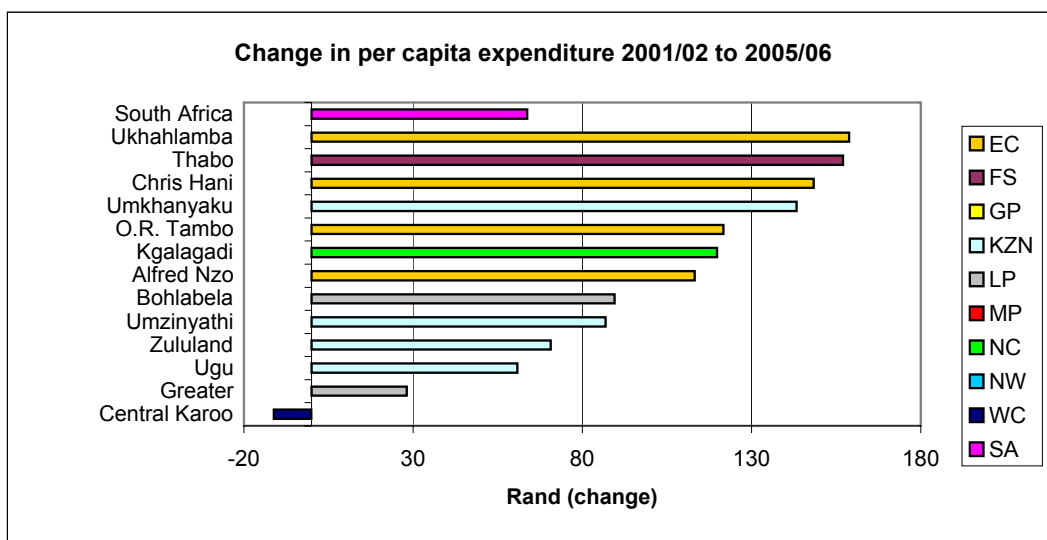
Almost all rural node districts have had an increase in per capita expenditure between 2001 and 2005, consistent with an overall increase for the country as a whole.

The data illustrating the change in per capita expenditure from 2001 to 2005 (Figure 9), shows that only three of the rural node districts had a change below that of the South African average of R64, of which one was at the top end of the scale viz. Central Karoo. This means that in general there has been a significant move towards equity, with more deprived districts receiving a greater proportion of the resources.

Although in KwaZulu-Natal the changes varied considerably from R61 to R143 in the four rural node districts, this resulted in three of the four districts being clustered close to R220 per capita. However, the R143 increase in per capita expenditure for Umkhanyakude resulted in a PHC expenditure of R309 per capita, which was around R90 more than the other 3 KZN districts.

In the two rural node districts in Limpopo province there was a noticeably uneven change in per capita expenditure. Greater Sekhukhune had a smaller increase of R28 in per capita expenditure (R87 to R115) compared to Bohlabela which had a R90 increase in per capita expenditure (R55 to R145). This may be interpreted as a move toward a more equitable per capita expenditure between these districts, but it has left Greater Sekhukhune behind.

Figure 9: Change in per capita expenditure in the rural nodes



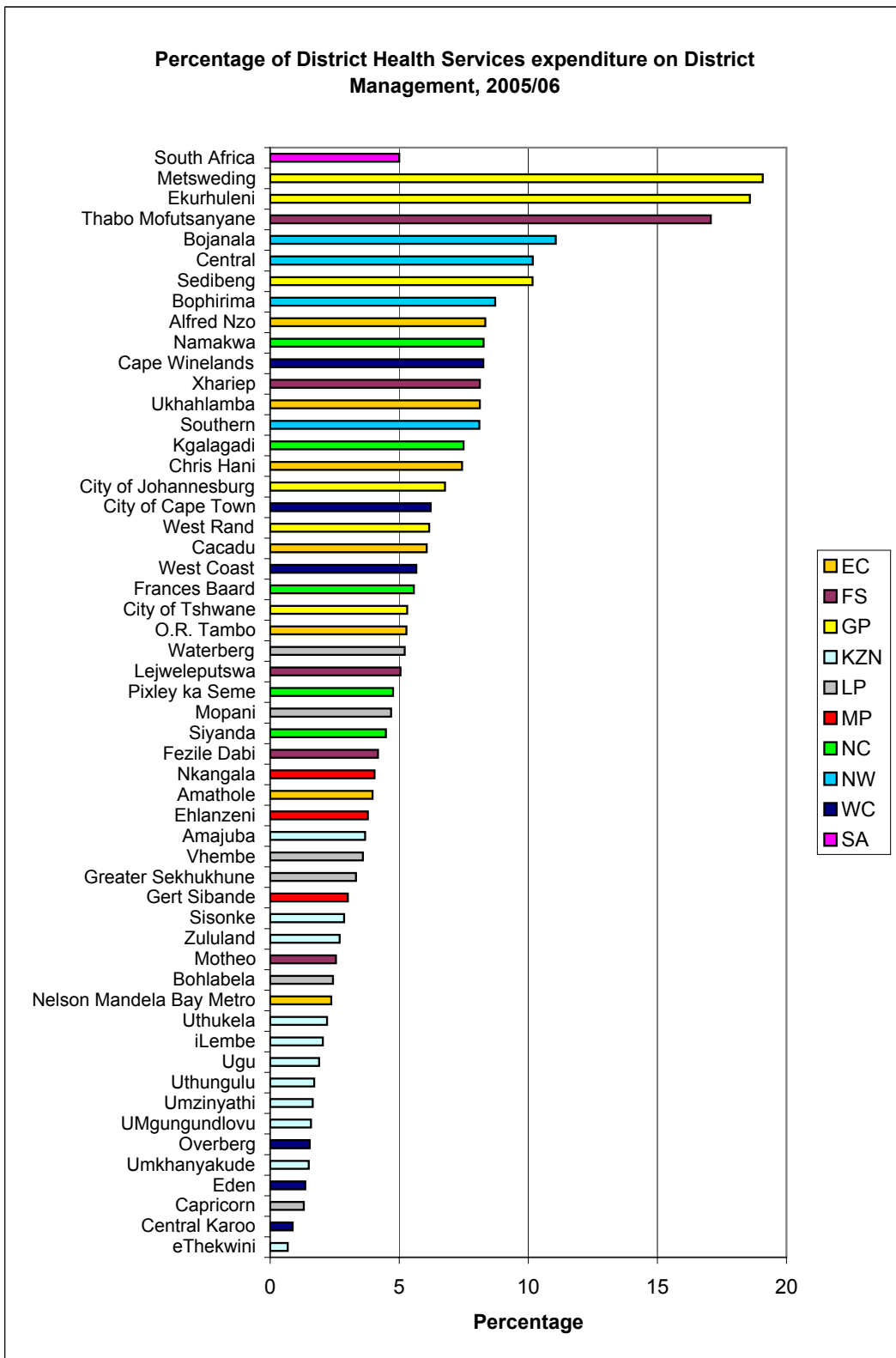
2.2 Proportion of District Health Services Expenditure on District Management

This indicator represents the proportion of the total district expenditure, including district hospitals, that is spent on district management activities. On average this was 5%.

District view

Figure 10 shows the wide variation in district management expenditure. Metsweding has the highest proportion of district management expenditure of 19.1%. This is partially due to fact that it is the only district without a district hospital and the total expenditure is therefore reduced. This is over 27 times greater than eThekweni, with the lowest proportion of 0.7%. There are some interesting provincial variations with all the districts in KwaZulu-Natal and Mpumalanga falling below the average and all the districts in Gauteng and North West situated above the average.

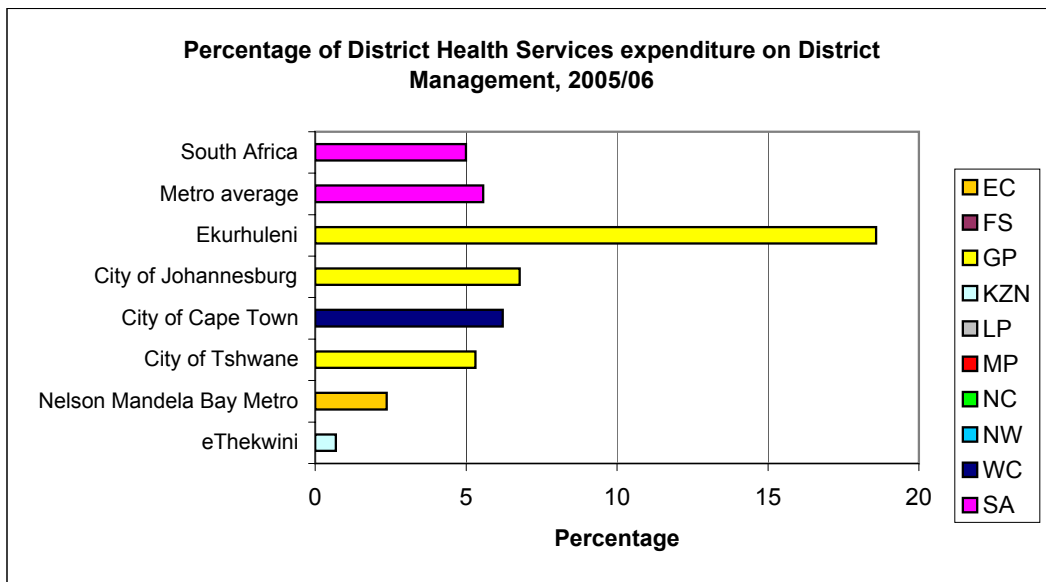
Figure 10: Percentage of district health expenditure on district management by district, 2005/06



Metro View

In the metro districts, the proportion of expenditure on district management is 5.6%, which is only slightly higher than the national average. There is wide variation with the highest being in Ekurhuleni, (18.6%) whilst eThekweni spends only 0.7%. This wide variation begs some more detailed research to unpack the reasons for this.

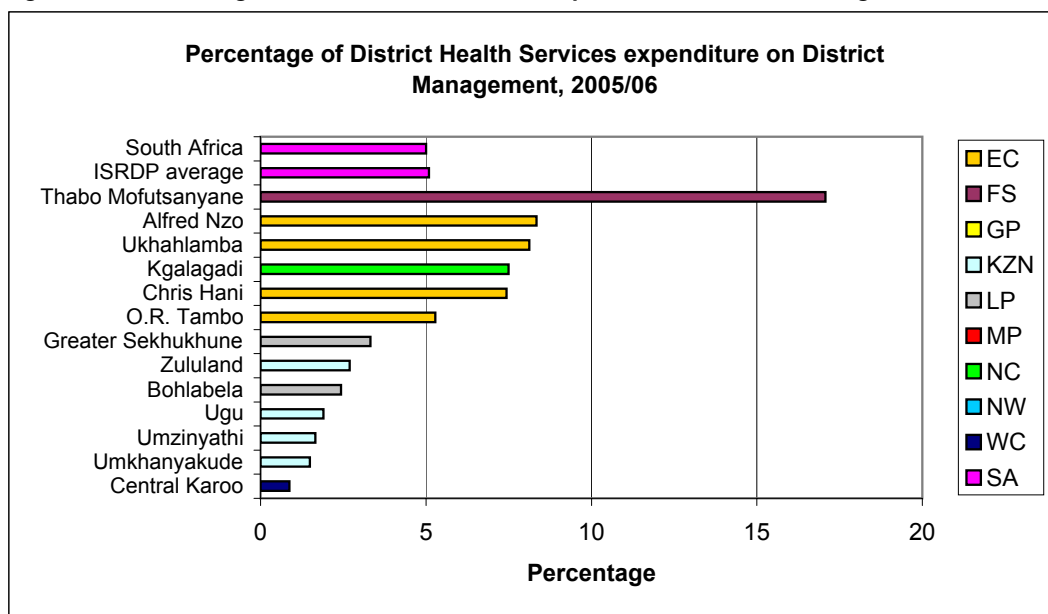
Figure 11: Percentage of district health expenditure on district management in metro districts, 2005/06



Rural Nodes

Six of the rural node districts spent more than 5% on district management. It is not clear why Thabo Mofutsanyane spent 17% of its budget on district management, which is almost double that of the next highest district. There were clear provincial differences with all four of the rural node districts in the Eastern Cape spending more than 5% on district management. Conversely, all the districts in KwaZulu-Natal appeared to be spending too little on district management (between 1.5% - 2.7%). This may compromise the level of supervision and support the district management team can offer the professional staff in primary health care facilities and district hospitals. The lowest spending district, Central Karoo, was partly managed by the management team in the neighbouring Eden district, which could account for this low proportion of 0.9%.

Figure 12: Percentage of district health services expenditure on district management, 2005/06



2.3 Proportion of District Health Services Expenditure on District Hospitals

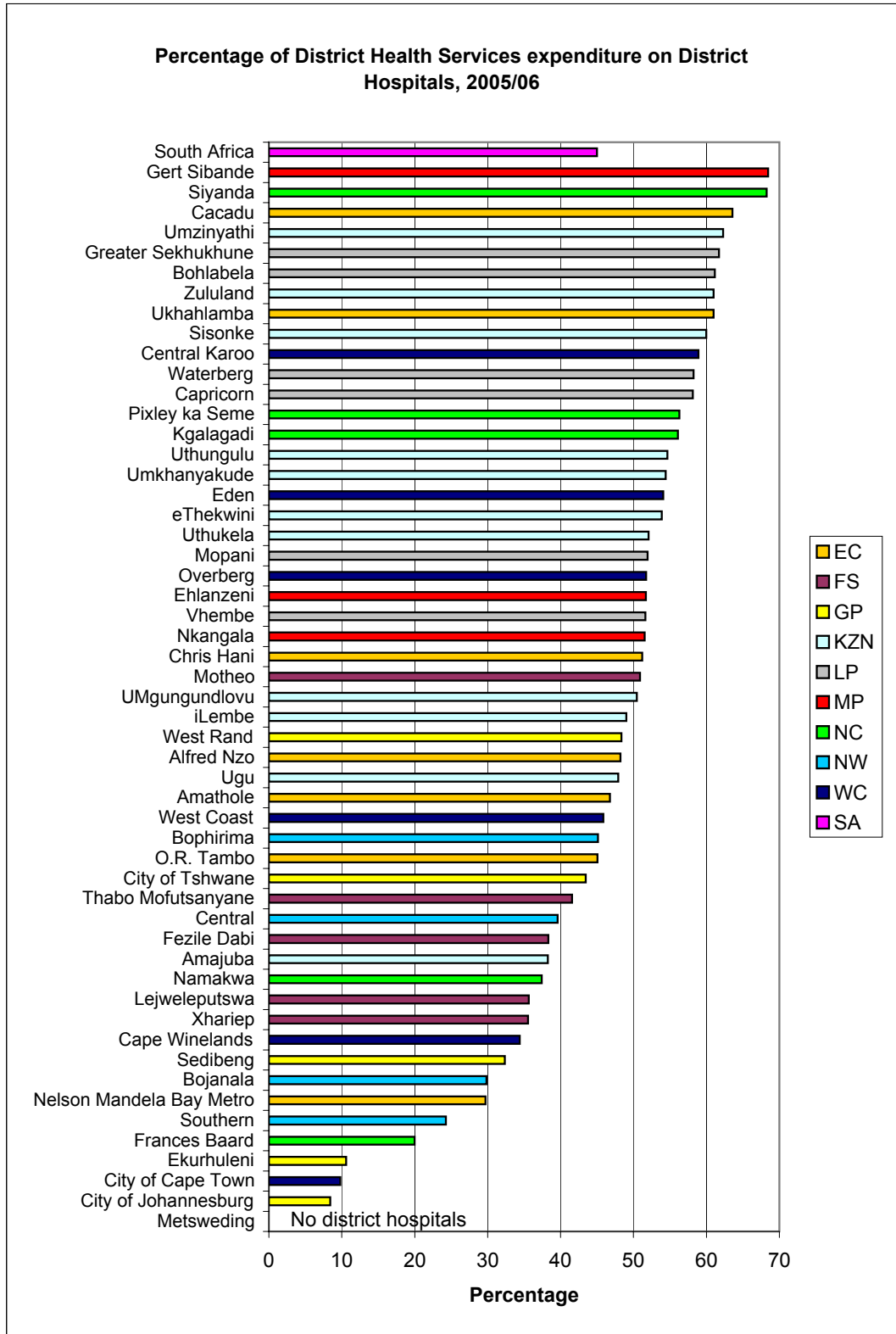
This indicator represents the proportion of the total district expenditure that is spent on district hospitals. It is useful in assessing the focus and emphasis of health service delivery at district level. The average proportion of total district health expenditure in South Africa is 45%. Linked to the 5% for district management this means that the other half of total district resources are spent on PHC services.

District view

Figure 13 shows the wide variation in the proportion spent on district hospital services. Gert Sibande has the highest (68.5%). Excluding Metsweding which has no district hospital, the lowest is Johannesburg (8.4%). Among the five districts with the lowest percentage of district hospitals expenditure, three are metropolitan districts (Johannesburg, Cape Town, and Ekurhuleni), a clear indication of the lack of district hospital beds in these areas. Cape Town has plans to remedy this and has two district hospitals in the pipeline.

Among the five districts with the highest proportion of district hospital expenditure, three, (Gert Sibande, Siyanda and Greater Sekhukhune), are ranked in the lowest five with regard to per capita non-hospital PHC expenditure. Clearly, in these districts spending on district hospital services has been prioritised above non-hospital PHC expenditure. Increasing the overall district expenditure in these districts, through increasing their PHC component, would have the effect of getting their per capita PHC expenditure closer to the average and would decrease the proportion spent on district hospitals.

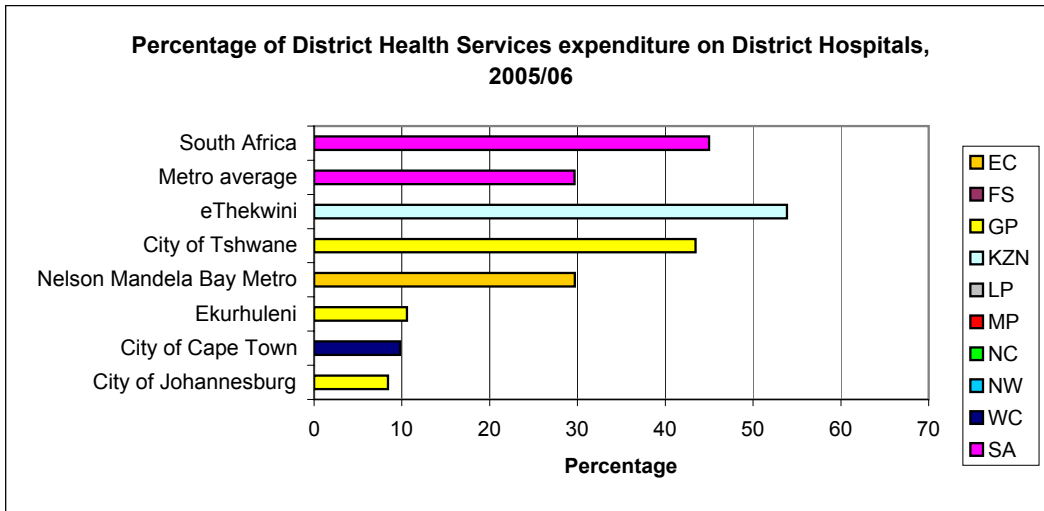
Figure 13: Percentage of district health expenditure on district hospitals by district, 2005/06



Metro view

Figure 14, highlights the difference between the metros and the rest of the country with the average for the metros being 29.7%. As mentioned earlier there is a probable need for more district hospital beds in Ekurhuleni, Cape Town and Johannesburg.

Figure 14: Percentage of district health expenditure on district hospitals for metro districts, 2005/06



Rural Nodes

On average, 54% of the district budget of the rural node districts was spent on district hospital expenditure with all the districts in a fairly narrow range between 40% and 60%. In the Greater Sekhukhune and Bohlabela districts of Limpopo, 62% and 61% of the district budget was spent on the district hospitals. A similar pattern of expenditure on district hospitals was found in Umzinyathi (62%) and Zululand (61%) districts of KwaZulu-Natal. Thabo Mofutsanyane in the Free State had the lowest percentage of expenditure on district hospitals (42%). These figures reflect differing proportional expenditure on district hospitals relative to the total district allocation, particularly if a district includes a regional hospital.

Figure 15: Percentage of district health services expenditure on district hospitals, 2005/06

