



NO PAY, NO CURE – CAN OUR HOSPITALS BE SALVAGED?



Head of Surgery at Chris Hani Baragwanath Hospital, Professor Martin Smith.

Picture: Chris Bateman

Budgeting and administrative incompetence at several provincial tertiary hospitals got so bad this March that unpaid equipment suppliers and frustrated clinicians threatened to withdraw services unless urgent solutions were found.

One of the worst-affected hospitals is the southern hemisphere's largest, the sprawling 2 800-bed Chris Hani

Baragwanath in Soweto, where non-payment shortages range from clean bed linen and food to life-saving surgical equipment. Surgeons reached the end of their tether in March when they were unable to order life-saving CT scans and were also forced to risk potentially life-threatening surgical procedures owing to the lack of repair, replacement or supplementation of

surgical microscopes, aspirators and drills.

The supply and repair companies (one spoken to by *Izindaba* was owed R140 million, with Chris Hani Bara accounting for R8 million unpaid for 18 months), are being forced to get tough – pay up or we stop supply and maintenance.

This led to one frustrated Chris Hani Baragwanath orthopaedic surgeon walking out of a hip-replacement operation after he called for a vital drill and was told it was being held by unpaid repairers. Several hospital theatres have faulty or unusable air conditioning and filtration units because the manufacturers refuse to replace or repair them until they too are paid. Hospital laundry is intermittent and chaotic because of unpaid bills and clumsy administration, while food orders are chopped and changed as suppliers decline service for non-payment.

This March, the hospital's neurology department went for 3 weeks with only one working CT scanner, leading the affected radiologists and neurologists to threaten to withdraw services until the (other) broken one was fixed.

According to several of the clinicians, the department needs three scanners to ensure an 'adequate' service.

Physicians threaten walk-out

Bara's head of surgery, Professor Martin Smith, was faced with two angry letters on his desk threatening a professional walk-out unless urgent relief came. He called one supplier and begged them to repair the CT scanner, on the 'promise' that the requisite R2 million payment would be made next financial year.

One local supplier who has been in the hospital equipment game for two



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decades said: 'I've never experienced anything like this before – it looks like the health department throughout the country is in total chaos. It's quite clear they've got no money – we're fixing machines on promises alone.'

He cited an outstanding MRI machine payment for Kimberley Hospital – the only machine servicing the entire Northern Cape, which he said was a hair's breadth away from 'crashing entirely'. In the Eastern Cape he was owed 'a couple of million, but they also say they have no money until the next financial year'.

Some suppliers were threatening to remove replaced vital components from equipment unless promises of payment 'within the first two weeks of April' (the next financial year) were honoured.

Said one senior neurosurgeon at Bara, 'we can't ask them to bring the equipment on ethical grounds – that would be shifting the blame onto them. And if we can't scan we cannot treat; yet we're taking responsibility.' Of the letter to Smith he said, 'if we don't have a scanner we have to stop services because if we don't stop we sit with the responsibility of the patient'. He said his department was providing 'sub-optimal' treatment.

'Zeiss won't fix our microscopes which we use a lot because they haven't been paid, then we have aspirators for removing tumours whose company also haven't been paid, meaning that we resort to riskier diathermy (for example) with the attendant risks of damaging neural tissue.'

Bureaucrats endanger physicians

Many physicians asked to remain anonymous, not so much because

they were afraid of official sanction or victimisation but cruelly, because they believed that putting names to their best attempts to preserve life might expose them to Medical and Dental Professions Board professional conduct enquiries.

Said one senior radiology consultant, 'It's the worst it's ever been. The only reason we don't have clear-cut deaths is because we always make a plan.'

He said the radiology department, upon which so many other specialties rely, depended on service companies to keep machines running and providing consumables, such as catheters and coils.

'On both scores they haven't been paid, for years in some cases. March was an absolute disaster. General Electric have an MRI suite in our department and they haven't been paid. We're caught in the middle when our machines go down. Physicians get upset because patients are waiting.'

He said patients sometimes waited 8 hours when things were going well.

'Imagine now, these are really poor people. They pay R20 for a taxi, get *kakke*d on by their employers ... and then they're told to come back tomorrow because the machine is down. That's a lot of outlay and heartache for them. Some don't bother to come back.'

Delayed diagnoses also increased patient stays, putting more pressure on bed occupancy.

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His registrars were at one stage in March running the only remaining CT scanner 'around the clock'.

'It's really sad for the patients. They get played as pawns in a game of inefficiency.' Another radiologist said it seemed provinces reached a certain threshold of expenditure 'and then they cut off, no matter what – you can't run a health sector like that – it's just poor financial planning'.

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Over the same period mammography and gastrointestinal screening cases were also cancelled.

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Old hands say situation 'worst we've seen'

He'd spoken to colleagues 'who've been around for 30, 40 years and they say it's never been this bad'.

One equipment supplier said the budgeting chaos was making the service contracts they held not worth the paper they were written on.

'It's the equivalent of taking household insurance, not paying your monthly subs and then saying, sorry we had a break in, can you please pay us out? And you know what? We do! We've kept repairing and maintaining but it's got to stop somewhere.'

Another local supplier said not being paid had put him into overdraft while his multinational competitors 'simply call on big brother to solve the cash



flow problem,' giving them an unfair advantage.

'I can import a big piece of hospital equipment and install it, say at a cost of R10 million. If I don't get paid, the bank shouts and my trading is eventually brought to its knees. If you don't roll forward ultimately your company grinds to a halt. You can apply all the best business protocols and this is totally out of your hands. I've got doctors crying, begging and pleading. We're running our business on promises alone. I've never sweated so much in my life. I can tell you this will take some local companies out.'

He said it was government policy not to pay interest on outstanding debts but legislation did require suppliers to be paid within 30 days, which was a standing joke in the industry.

Several of Bara's suppliers said the Gauteng Shared Service Centre (GSSC),

which administers all the contracts for the provincial departments, couldn't cope with the lengthy paper trail for the delivery and payment process.

A supplier more forthrightly accused provincial officials of being 'incapable of basic reconciliations' between orders, deliveries and invoices.

Gauteng manager admits skills shortage

GSSC CEO Mike Maile announced his resignation in early March when he admitted to daily newspapers that skills in audit, finance and IT 'remain a challenge'.

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One dynamic that prevents fuller ventilation of the crisis is that any move by suppliers seen as antagonistic by government financial managers (court action for breach of contract or identifiably complaining to the media), can torpedo their chances of retaining tenders when they come up for renewal every few years.

Physicians told *Izindaba* that the bureaucratic process had completely overwhelmed the clinical sector, with one adding, 'even when there is capacity, there seems to be inertia'.

A neurosurgeon observed, 'This is a management problem. This country is not short of money. We're talking about flagship hospitals here, not struggling rural facilities.'

Chris Bateman