

USAID Global Health Supply Chain Programme

QUARTERLY REPORT

01 April 2019 to 30 June 2019



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Global Health Supply Chain –Technical Assistance

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1. ACRONYMS

AMD	Affordable Medicines Directorate
AMR	Antimicrobial Resistance
API	Application Protocol Interface
APP	Annual Performance Plan
ARV	Antiretroviral
BEC	Bid Evaluation Committee
CCMDD	Central Chronic Medicines Dispensing and Distribution
CDCS	Country Development Cooperation Strategy
CFO	Chief Financial Officer
CHAI	Clinton Health Access Initiative
CMU	Contract Management Unit
CMS	Council for Medical Scheme
CSIR	Council for Scientific and Industrial Research
DBAC	Departmental Bid Adjudication Committee
DO	Development Objective
DPSA	Department of Public Service and Administration
DSP	District Support Partner
EC	Eastern Cape
EDP	Essential Drugs Programme
EML	Essential Medicines List
FS	Free State
GHSC	Global Health Supply Chain – Technical Assistance
GP	Gauteng
HOPS	Head of Pharmaceutical Services
HTA	Health Technology Assessment
IMAT	Improved Medicines Availability Team
ISP	IT, Systems and Projects
IT	Information Technology
ITIL	Information Technology Infrastructure Library
ITSC	Information Technology Steering Committee
JD	Job Description
KPI	Key Performance Indicator

KZN	KwaZulu-Natal
LOE	Level of Effort
LP	Limpopo
MHPL	Master Health Product List
MMDS	Medicine Master Data System
MOU	Memorandum of Understanding
MP	Mpumalanga
MPC	Master Procurement Catalogue
NC	Northern Cape
NDoH	National Department of Health
NEMLC	National Essential Medicines List Committee
NHI	National Health Insurance
NHC-SC-PS	National Health Council Sub-Committee for Pharmaceutical Services
NHC-TAC	National Health Council Technical Advisory Committee
NSC	National Surveillance Centre
NT	National Treasury
NW	North West
OHS	Occupational Health and Safety
PHC	Primary Health Care
PEPFAR	President's Emergency Plan for AIDS Relief
PIT	Programme Implementation Team
PMDS	Performance Management Development System
PMPU	Provincial Medicine Procurement Unit
POC	Proof of Concept
PSC	Provincial Surveillance Capability
PTC	Pharmaceutical and Therapeutics Committee
RMU	Rational Medicine Use
SAHPRA	South African Health Products Regulatory Authority
SAPC	South African Pharmacy Council
SCM	Supply Chain Management
SIMA	Strategy to Improve Medicine Availability
SITA	State Information Technology Agency
SLA	Service Level Agreement

SOP	Standard Operating Procedure
STG	Standard Treatment Guidelines
SVS	Stock Visibility System
TA	Technical Assistance
TEE	Tenofovir/Emtricitabine/Efavirenz
TLD	Tenofovir/Lamivudine/Dolutegravir
TOR	Terms of Reference
TWG	Technical Working Group
UAT	User Acceptance Testing
URS	User Requirement Specification
USAID	United States Agency for International Development
VAN	Visibility Analytics Network
WC	Western Cape
WG	Wave Governance
WMS	Warehouse Management System

2. EXECUTIVE SUMMARY

The third quarter of 2019 saw the Global Health Supply Chain - Technical Assistance (GHSC) Programme, working closely with the Affordable Medicines Directorate (AMD) of the National Department of Health (NDoH), continue to make progress on improving elements of the medicine supply value chain across numerous fronts.

During this period, GHSC focused attention on uploading data to the Master Health Product List (MHPL) of the Medicine Master Data System (MMDS). By the end of the quarter, all medicines contained in the legacy Excel-based Master Procurement Catalogue (MPC) had been cleansed, verified and uploaded to the MHPL, with 85% of contract related data having been loaded. This activity is expected to be completed early in the next quarter, allowing the team to achieve a key milestone in the development of the MMDS. The standardisation and housing of master data related to medicine in one repository, and the availability of this data for use by the various systems used to manage medicine across the supply chain, will assist in facilitating transactions across various levels, enhance visibility of medicine availability and overall performance of the supply chain.

GHSC continued to work with District Support Partners (DSPs) and USAID during the Project Siyenza period, with specific focus on medicine availability and the use of the National Surveillance Centre (NSC) information to inform decision making. GHSC, together with AMD, conducted Provincial Surveillance Capability (PSC) workshops in Gauteng (GP), KwaZulu-Natal (KZN), Free State (FS), North West (NW) and Mpumalanga (MP) following pre-engagement sessions with each of the provinces. The aim of the workshops is to capacitate provincial users with AMD-supplied NSC licences, to access and use the data provided on the dashboards, as part of routine monitoring of medicine availability. The draft medicine availability escalation/decision trees were also discussed during the workshops, with provinces committing to customising these tools for use within the province.

The NSC dashboards saw significant enhancements including the development of an Integrated End-to-End dashboard, which provides a single view of medicine availability across the supply chain—allowing users to see supplier, depot, and facility level medicine availability. A specific dashboard was developed to support the transition from Tenofovir/Emtricitabine/Efavirenz (TEE) to Tenofovir/Lamivudine/Dolutegravir (TLD). This dashboard enables users to monitor availability of these key medicines during the transition period. The demand planning dashboard was established to visualise the latest demand forecasts on the NSC reporting platform.

During this quarter, the demand planning process rolled out in KZN—the fourth province where implementation has taken place. Forecasts for three additional contracts were added for the four provinces to support current tender forecasting requirements.

Following a recommendation from the October 2018 Presidential Summit that budgets for pharmaceuticals be ring-fenced to protect and improve medicine availability, the team commenced generating a budget forecast for all provinces at facility level. Engagements with the provinces helped to further enrich the budget forecasts with final sign-off of the budgets expected in the next quarter. The demand planning team also assisted the TLD transition by generating forecasts for the phasing in of TLD and phasing out of TEE.

Development work on the Stock Visibility System (SVS) ordering and receiving functionality continued during this period with GHSC assisting with user acceptance testing (UAT). This new functionality will enable the placing orders on the mobile application for items not part of the routine weekly monitoring list, min/max stock level upload functionality and web approver review and order approval for orders placed using SVS.

The GHSC team continued to make good progress with the supply planning proof of concept (POC) at four clinics in the NW province. A final POC report will be compiled once ordering functionality testing has been completed at facility level.

During the reporting period, the GHSC team continued work in the NW province which remained under administration. It was agreed with the interim management team in the province, that GHSC would continue to provide TA related to workforce and finance matters, system related interventions and operational matters related to Occupational Health and Safety (OHS). Discussions on increasing direct deliveries to other hospitals and the inclusion of more products for direct delivery were de-prioritised until operational challenges that have a negative impact on service delivery are addressed.

In the areas of evidence-based medicine selection and rational use of medicines (RMU), GHSC assisted the development of policies, guidelines, processes and interventions to establish governance frameworks. The draft National PTC Guideline aimed at providing policy guidance and tools to support the functioning of these bodies, was sent for stakeholder review and amended following comments received. The AMD Conflict of Interest Policy was adopted by the National Essential Medicines List Committee (NEMLC). TA was provided in developing Memoranda of Understanding (MOUs) between AMD and the National Health Laboratory Service, as well as the Department of Agriculture, Forestry and Fisheries to establish terms for information sharing and collaboration in the fight against Antimicrobial Resistance (AMR). Similar MOUs between NDOH and private laboratories were signed.

GHSC supported the AMD roadshows in FS, KZN and GP. The aim of the roadshows is to familiarise provincial personnel with all key supply chain interventions being undertaken by AMD with support from implementing partners. This included presentations on NSC, MMDS, RxSolution, SVS, TLD transition, demand planning and budgeting. The remaining provinces will be completed in the coming quarter. Additional TLD transition specific roadshows were conducted in all provinces in collaboration with AMD, programmes and other implementing partners.

These and other accomplishments and activities are described further below.

3. INTRODUCTION AND OBJECTIVES

BACKGROUND

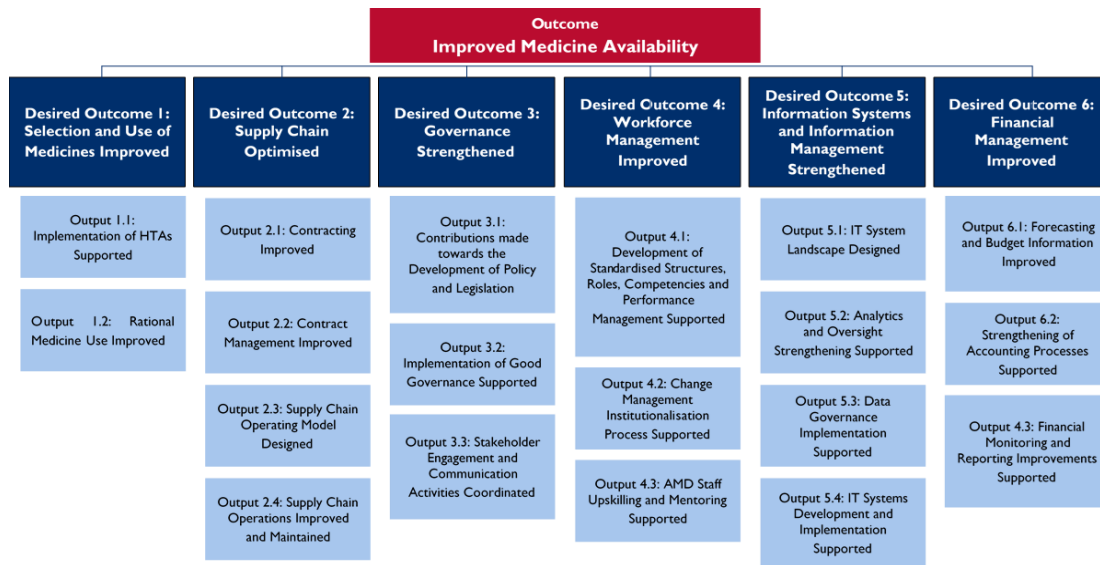
USAID GHSC support to South Africa commenced in September 2016. The programme leverages industry leading practices and techniques to accelerate the strengthening of the South African public health supply chain to respond to both current challenges and emerging trends that have the potential to shape or stress the health system. Programme personnel work directly with stakeholders in the South African public health system, including the AMD within the NDoH and provincial Departments of Health to improve the performance of the medicine supply value chain to improve medicine availability.

This work directly supports the *USAID/South Africa Country Development Cooperation Strategy (CDCS)* results framework by supporting *Development Objective (DO) 1- Health Outcomes for South Africans Improved*. In addition, the programme supports the Government of South Africa’s priority strategic intervention identified in the NDoH *Strategy to Improve Medicine Availability (SIMA)* (2016-2021) and the NDoH Annual Performance Plan (APP). Finally, GHSC work aligns with the U.S. President’s Emergency Plan for AIDS Relief (PEPFAR) by improving health outcomes of South African citizens at the site level, including shaping project activities around shared objectives of supporting epidemic control and sustainability, strengthening transparency and accountability, and reaching out to key populations.

PROGRAMME OBJECTIVES

The results framework developed by the programme, shown in Figure 1, captures long-term goals, desired impact, desired outcomes, and expected outputs related to each of the programme’s six objectives.

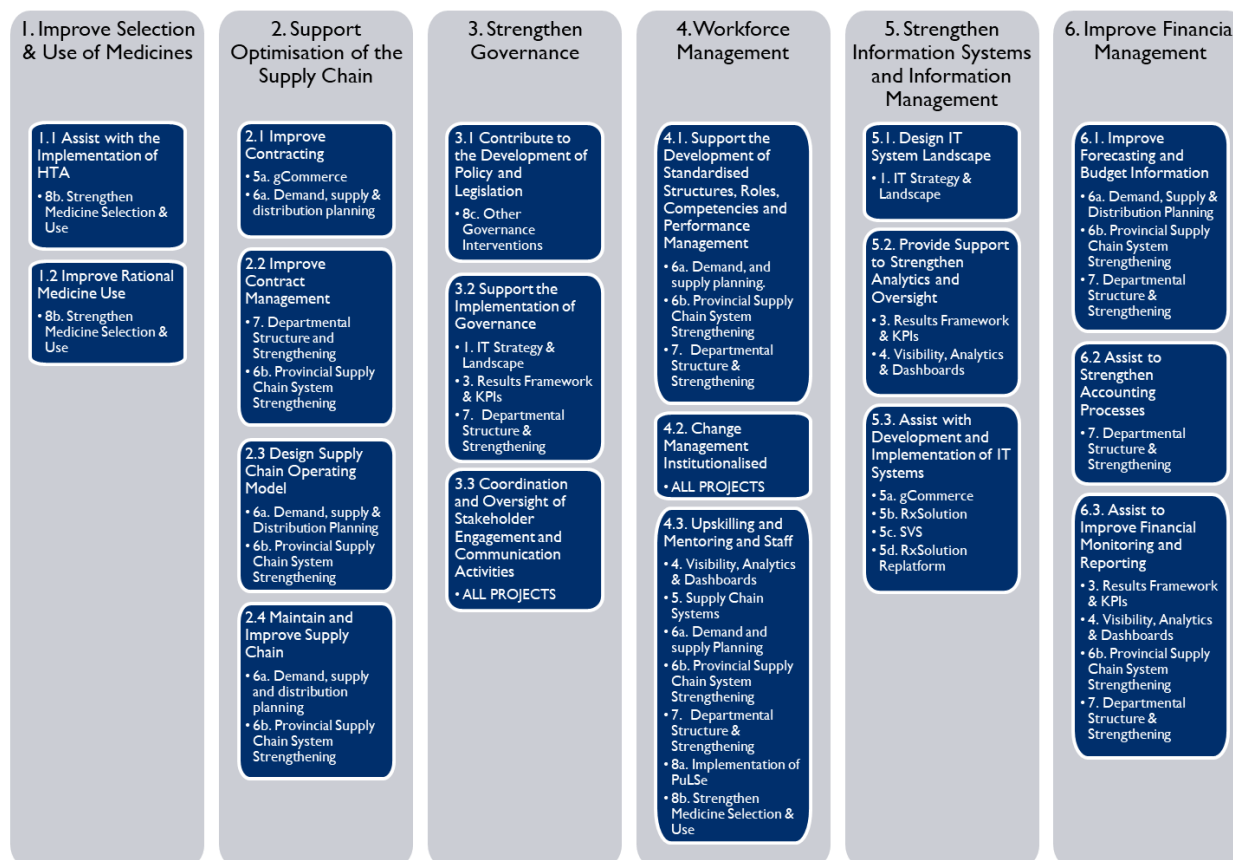
Figure 1 GHSC Programme Results Framework



4. PROGRAMME GOVERNANCE AND MANAGEMENT

To support the development of an agile, robust and sustainable health supply chain that will contribute towards improving medicine availability, the programme team organised its activities into several projects aligned with the results framework shown in Figure 2.

Figure 2 Project Alignment to GHSC Results Framework



Individual projects and sub-projects are described in Table 1.

Table 1 Project Descriptions

Project Number and Name	Description
Project 1: IT Strategy and Landscape	Analyse the Information Technology (IT) landscape, develop an IT strategy and an IT roadmap that illustrates the IT initiatives required to achieve the desired future state detailing dependencies between these initiatives. There is a focus on assisting capacity building within AMD to enable ownership and maintenance of these elements.
Project 2: Master Data	Develop specifications and implementation of the MMDS - comprising a stock item master, contract master and contracting process support, formulary management, clinical coding and setup, together with general and shared medicine-related repositories.
Project 3: Results Framework and Key Performance Indicators (KPIs)	Develop a results framework and key performance indicators (KPIs) aligned to the AMD Strategy and support the implementation of KPIs.

Project 4: Visibility, Analytics and Dashboards	Update, maintain and develop data-driven dashboard visualisations for improved decision-making.
Project 5: Supply Chain Systems	Assist in designing, implementing and transitioning support for supply chain systems and applications.
5a: Implementation of gCommerce	Support provinces with implementation of gCommerce. Assist in coordinating, writing and testing of new user requirements in collaboration with provinces.
5b: RxSolution Maintenance and Support	Transition responsibility for support and maintenance of RxSolution to appropriate provincial stakeholders. Maintain existing installations of RxSolution to enable reporting to and improved data quality received by the NSC.
5c: Implementation and Development of Stock Visibility System (SVS)	Support the implementation and development of specifications to enhance the functionality of SVS.
5d: Replatforming of RxSolution	Provide technical assistance (TA) related to the development of ePrescribing functionality and the architecture of the rebuild of RxSolution, in collaboration with the Council for Scientific and Industrial Research (CSIR).
Project 6: Supply Chain Strengthening	Develop supply chain interventions to strengthen core supply chain activities.
6a: Demand, Supply and Distribution Planning	Develop demand planning and supply planning processes and capacity to strengthen core supply chain activities.
6b: Supply Chain Systems Strengthening	Strengthen supply chain structures and capabilities to implement sustainable interventions and support core supply chain functionalities in the provinces.
Project 7: Departmental Structure and Strengthening Intervention	Strengthen, improve and capacitate the AMD to enable a fit-for-purpose directorate that can respond quickly and efficiently to demands imposed by the rollout of strategic interventions.
Project 8: Governance	Implement new structures and processes to improve governance. Provide TA for policy and legislation development.
8a: Implementation of PuLSe	Support the implementation of PuLSe in the Licensing Unit of AMD and assist with deployment to external stakeholders.
8b: Strengthening Medicine Selection and Use	Develop and implement policies, guidelines, tools and approaches to support (evidence based) selection and rational use of medicines.
8c: Other Governance Interventions	Provide support for development and implementation of policies and legislation to facilitate medicine availability at all levels

The projects defined above are all underpinned by crosscutting enabling environment activities including stakeholder engagement and communication, workforce management, change management and training and development, which are incorporated into the projects, as required. For Year 3, the team has revised the reporting approach from objective-based to project-based reporting.

5. FINANCIAL STATUS OF THE TASK ORDER

6. ACHIEVEMENTS AND MAJOR ACTIVITIES BY PROJECT

PROJECT 1: IT STRATEGY AND LANDSCAPE

Project 1 contributes to the programme's key objective of strengthening information systems and information management as well as the cross cutting key objectives including strengthening governance and improving workforce management. Activities undertaken under Project 1 are instrumental in developing systems to improve accountability and increase both the availability and visibility of data to inform decision making at national and provincial levels. In addition, the development and delivery of an IT strategy and landscape serve as a critical enabler of health supply chain performance and form a cornerstone of successful delivery of the SIMA.

Year 3 Project 1 activities include an analysis of the AMD IT landscape, and development of an IT strategy and roadmap illustrating the IT initiatives and the inter-dependencies required to achieve the future state. The team focused on building the capacity within AMD to assume ownership and maintenance of these activities and the associated documentation.

Activities and accomplishments in the last quarter

The focus of the quarter was to complete any outstanding work in preparation of handing over management of the IT strategy and roadmap to the AMD IT manager. Activities were performed in close collaboration with the IT manager and featured extensive coaching to develop capacity and enhance sustainability.

Major activities and accomplishments associated with this project are outlined below:

- Completed revisions of the IT operating model based on prior analyses of the Information Technology Infrastructure Library (ITIL) and NDoH IT policies
- Completed alignment of the IT Roadmap to the latest version of the AMD Roadmap.
- Completed the IT Strategy and Roadmap Transition Pack, to enable transfer of these activities to AMD.

Performance monitoring

Activities under Project 1 support the strengthening of governance and workforce management maturity within AMD (as measured by the endline KPIs 15 and 16) and will contribute to improving medicine availability at health establishments (KPI 12) and reporting thereon to the NSC (KPI 17).

Challenges

- Balancing the urgency of general and ad hoc IT support to AMD against the importance of developing the IT roadmap and related work.
- Access to relevant stakeholders due to competing priorities.

Planned activities for the next quarter

Transition management of the IT strategy and roadmap to AMD with the last activity of this project being presentation of the IT strategy and roadmap to the AMD IT Steering Committee (ITSC).

PROJECT 2: MASTER DATA MANAGEMENT

Project 2 contributes to the overarching goal of improving medicine availability by acting as an enabler for nearly every intervention ranging from strengthening information systems and information management to governance, oversight, and workforce management, as well as core supply chain activities such as demand, supply, and distribution planning. Ultimately, master data is critical to operating, managing and monitoring the performance of the medicine supply chain.

Year 3, Project 2 activities include the delivery of TA for the development of specifications and implementation of the MMDS - comprising a stock item master, contract master and contracting process support, formulary management, clinical coding and setup, together with general and shared medicine-related repositories.

Activities and accomplishments in the last quarter

The focus of this reporting period was on data cleansing and data verification for the MHPL take-on; and loading of medicine and contract data from the legacy Medicine Procurement Catalogue (MPC) onto the MHPL.

Major activities and accomplishments associated with this project include:

- Completed data preparation and capture of all data relating to medicines, for which there are national contracts, on to the live MHPL system. This involved working closely with AMD through extensive planning of how medicines would be set up in the system, the rules to be applied, as well as substantial rework and verification of medicine description structures.
- Capturing of MHPL contract data, including branded medicine and supplier data onto the live system which was 85% complete by the end of the quarter.
- Completed the business rules document, which sets out the rules to be applied when adding a new medicine to the MHPL, as well as the first version of the MHPL process maps and standard operating procedures (SOPs).

Performance monitoring

Project 2 activities associated with developing and using a single set of medicine master data represent a critical contribution to monitoring supply chain performance and improving medicine availability (KPI 12), whilst contributing to strengthening governance and workforce maturity of assisted organisations (KPIs 15 and 16) that use master data and related medicine formularies.

Challenges

- Availability of key stakeholders due to conflicting priorities.
- Several small system bugs identified while preparing and loading contract data, which were addressed, but did not inhibit progress with capturing data onto the live MHPL system.

Planned activities for the next quarter

- Complete data preparation and loading of all contract data onto the MHPL.
- Revise and update processes maps, SOPs, and business rules for the MHPL.

- Assist with the gathering and development of requirements and design specifications for the location master data and formulary tool.

PROJECT 3: RESULTS FRAMEWORK, KEY PERFORMANCE INDICATORS (KPIs)

Project 3 focuses on strengthening governance and information management by building the capability of the National and Provincial Surveillance Centre thus enabling actors in the supply chain to make data-informed decisions. This work includes developing adequate governance structures and processes for advanced analytics and decision-making. Project 3 activities contribute to improving budgeting and forecasting, as well as monitoring and reporting, against a standardised set of KPIs.

Year 3 activities include supporting the establishment of sustainable national and provincial surveillance capabilities to analyse, interpret and use data to improve decision-making and ultimately medicine availability.

Activities and accomplishments in the last quarter

The focus for the reporting period was to initiate and conduct PSC workshops in the provinces with nominated licence holders and finalise the draft SOPs for the NSC and PSC.

Major activities and accomplishments associated with this project are outlined below:

- Continued to engage weekly with the USAID DSPs, as part of the Siyenza project, to discuss medicine availability at site level and prepared weekly information packs. The medicine availability feedback reports compiled by DSPs were consolidated and submitted to USAID. The final (GHSC) Siyenza engagement with DSPs took place on 14 May 2019 with the last weekly report submitted to USAID on 21 May 2019. The GHSC Project Siyenza process was closed out by USAID in a call held on 30 May 2019. Valuable lessons were learnt in the use of the data presented on the dashboards to address medicine availability challenges.
- Delivered a presentation on the NSC/PSC at the PEPFAR Implementing Partners meeting held on 10 June 2019.
- Conducted PSC workshops in GP, KZN, FS, NW and MP following pre-engagement sessions with each province. The aim of these workshops is to capacitate holders of licences supplied to provincial users by AMD to access and use the data provided on the dashboards, as part of routine monitoring of medicine availability. The draft medicine availability escalation/decision trees were also discussed during the workshops, with provincial personnel committing to customising the escalation/decision trees for use within each province.
- Shared the post engagement exercises following the PSC workshops with GP, KZN, FS and NW provincial teams. The post engagement exercise focuses on using the dashboards to understand medicine availability, and developing a provincial plan to institutionalise use of the dashboards and customised decision trees as part of the PSC capability. The post-engagement feedback session for KZN was scheduled for 8 July 2019 and dates are being sought for the follow up sessions in the other provinces. Reports on the workshops conducted, were prepared and submitted to AMD.
- Drafted and submitted SOPs for the PSC to AMD for review in May 2019. These SOPs are largely aligned to the NSC SOPs and support the process of escalating medicine availability challenges to the relevant stakeholders. By the end of the quarter, the NSC and PSC SOPs were still under review by AMD.

- Continued coaching the AMD Project Manager (PM) responsible for Projects 3 and 4 with the PM assuming more responsibility in facilitation of PSC workshops and presentation of the Project 3 plan in the AMD Wave Governance (WG) session.

Performance monitoring

Activities undertaken under Project 3 contribute to improved performance of the supply chain by the development and implementation of a set of metrics to measure performance thereof, as well as providing the framework for monitoring and improving medicine availability (KPI 12), while contributing to strengthening governance and workforce maturity of assisted organisations (KPIs 15 and 16).

Challenges

- Limited availability of key stakeholders due to conflicting priorities.
- Delayed feedback on and approval of documents submitted, including the provincial KPI Dictionary discussed at the National Health Council - Sub-committee – Pharmaceutical Services (NHC-SC-PS) meeting in February 2019. GHSC has followed up with AMD.
- Dependency on AMD organisational restructuring to finalise and implement NSC structures.
- Delays in securing dates for PSC workshop follow up interventions.

Planned activities for the next quarter

- Continue with provincial pre-engagements and PSC workshops and provincial post engagements.
- Follow up with AMD for completion of NSC and PSC SOP review and training dates for NSC team.
- Continue coaching activities of the AMD PM.
- Conduct Eastern Cape (EC), Northern Cape (NC) and Western Cape (WC) PSC workshops.

PROJECT 4: VISIBILITY, ANALYTICS AND DASHBOARDS

Project 4 contributes to increased reporting of medicine availability to the NSC, improved data quality, strengthened analytics and oversight at national and provincial levels, as well as improved information systems and information management.

Year 3 Project 4 activities include improving supply chain visibility from available data sources, and developing and optimising dashboards to enable actionable insights and more informed decision-making.

Activities and accomplishments in the last quarter

Major activities and accomplishments associated with this project are outlined below:

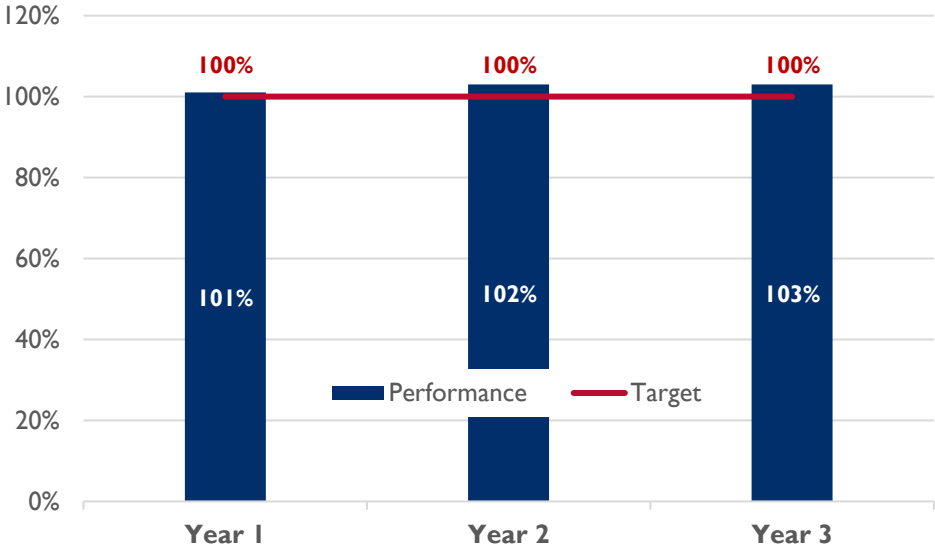
- Completed consolidation of the SVS, RxSolution, Depot and Supplier data sources to enable the development of an Integrated Dashboard, which will show end-to-end visibility of the supply chain.
- Developed a draft version of the Integrated End-to-End Dashboard visualising the medicine availability KPIs.
- Developed a new report for all provinces, which shows historic medicine availability following a request from AMD.

- Created a draft version of the demand planning dashboard, which will go live as provincial demand plans are agreed and finalised.
- Created a dashboard pack for provincial, district and sub-district levels, which shows medicine availability for all facilities for visits to all provinces by the Minister of Health.
- Defined the process of integrating with the RSA Pharma database for daily refresh of the Supplier Dashboards – Clinton Health Access Initiative (CHAI) has indicated that the development work on RSA Pharma should be completed by the end of September 2019.
- Continued with the integration of RxSolution data submitted manually, so that medicine availability data for sites using RxSolution remains current in the NSC and reporting is uninterrupted. The automated data acquisition process, using the Application Protocol Interface (API) developed by GHSC, will ultimately end manual data submission, providing a more sustainable solution.
- Completed the initial development of the TEE/TLD transition dashboard. Associated demand plans will be integrated into the dashboard once they have been finalised by the TEE/TLD team. Given the need for reliable contraception in women of child bearing age on TLD, a view of the availability of contraceptives was also included in this dashboard.

Performance monitoring

KPI 17 monitors the percentage of APP target health establishments reporting stock availability to the NSC dashboard. In Q3 the NDoH APP target was 3 574 down from 3 625 in Quarter 2. Targets for primary health care clinics, hospitals and other facilities were set at 3 190, 340 and 44 respectively. As reporting from sites using SVS is nearing saturation in the eight provinces using SVS, the NDoH is in the process of requesting the WC to begin using SVS, or a similar electronic stock monitoring system, to enable full visibility of all clinics countrywide.

Figure 3 Percentage of APP Target health establishments Reporting Stock Availability to the NSC dashboard



By the end of the reporting period 3 664 facilities were reporting to the NSC i.e. 103% of APP target facilities (refer Figure 4) with an additional two hospitals in EC and nine in LP commencing reporting to the NSC.

Challenges

- Delay in transitioning manual integration of RxSolution data into the NSC, to AMD. An automated data acquisition process is being implemented to mitigate this challenge. (See Project 5d)
- Access to gCommerce data has been challenging and will delay developing the depot dashboard for gCommerce sites (see [Project 5a](#)). All provinces are now, however, submitting Depot Data every two weeks.

Planned activities for the next quarter

- Dashboard Development:
 - Finalise dashboard requirements for the TEE/TLD Transition dashboard
 - Build out reports for the integrated End-to-End Dashboard
 - Finalise dashboard requirements for the Demand Planning dashboard
 - Stock on Hand and Patient Data Triangulation - Data review, availability and integration needs.
- On-going dashboard optimisation and harmonisation.
- Continue transition of dashboard responsibilities to AMD.

PROJECT 5: SUPPLY CHAIN SYSTEMS

Technology and information systems are critical enablers of health supply chain performance and form a cornerstone of the successful delivery of the AMD SIMA. Key activities performed in support of this objective include supporting the development and deployment of information systems.

PROJECT 5A: IMPLEMENTATION OF GCOMMERCE

This project encompasses providing TA to AMD and Provincial Departments of Health, by developing collective user requirements for system development, and planning for implementation of the gCommerce warehouse management system (WMS) in priority provinces. The State Information Technology Agency (SITA) is responsible for supporting the implementation, training, and change management required for gCommerce implementation. Beyond warehouse and inventory management functionality, WMS need to provide the tools to perform procurement and replenishment activities, as well as provide the data needed to support demand and supply planning services.

Activities and accomplishments in the last quarter

In April 2019, the Limpopo (LP) Department of Health decided to suspend use of the gCommerce WMS application after the annual stock count had been completed and transition back to the use of PDSX, the system used previously. The province cited the instability of gCommerce as well as challenges relating to the management of non-pharmaceutical items as factors contributing to this decision. In May, a decision

was taken by SITA not to continue with implementation of the latest version of gCommerce in the NC or in any other province.

Following these developments, GHSC was requested to investigate and document the current situation relating to the use of WMSs in all provinces, with a view to preparing a gap analysis and developing a future strategy and business case for implementation of new and improved systems.

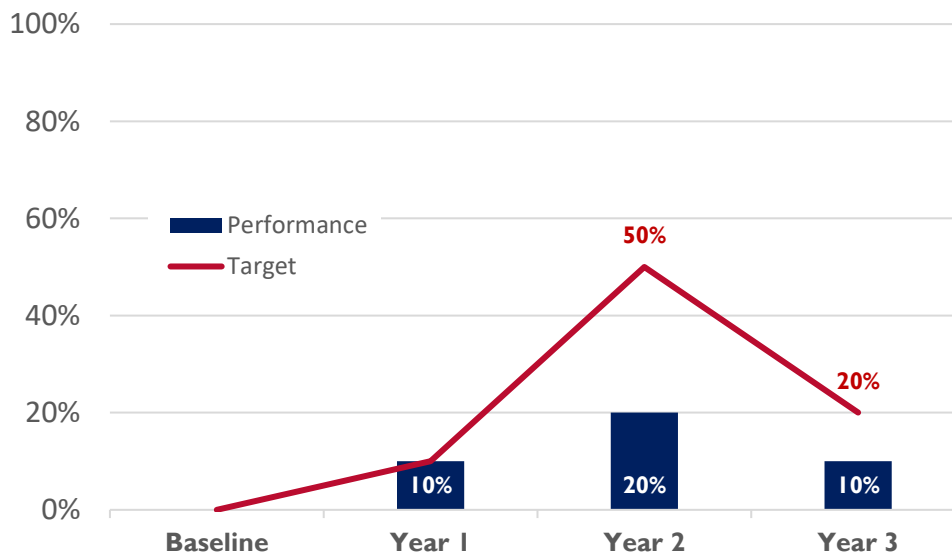
Major activities and accomplishments associated with this project are outlined below:

- Provided ongoing assistance to National Treasury (NT) and the NC with the loading and maintenance of all health related contracts.
- Continued to support the NC in stabilising the current version of the gCommerce WMS system as well as with finalisation of the financial year-end results.
- Supported the annual stock count in LP.
- Participated in several meetings with the Department of Public Service and Administration (DPSA), SITA and NDoH as part of the assessment of gCommerce WMS functionality being undertaken by DPSA.

Performance monitoring

KPI 19 measures the percentage of provincial warehouses utilising gCommerce. At the end of the period under review, performance dropped to 10% with only one of the ten planned provincial warehouses, NC utilising gCommerce WMS despite the system having been deployed in two provinces (refer Figure 5).

Figure 4 Percentage of Assisted Provincial Warehouse Utilizing gCommerce



As reported previously, it was resolved at the NHC-SC-PS meeting held in December 2018, that deployment of gCommerce to additional sites be postponed pending an independent review and audit of the system to assess if architecture, functionality, usability, dependencies and support from SITA are

sustainable. As mentioned above, LP decided during the previous quarter to revert to the WMS system used before.

Activities and accomplishments under Project 5a contribute to improving contractual lead time, perfect order fulfilment, order fulfilment cycle time, and medicine availability as well as the strengthening of governance and workforce management as measured by KPIs 7, 8, 10, 11, 12, 15, 16 and 17.

Challenges

- The implementation of new sites and related support for gCommerce has been suspended pending an assessment by DPSA.
- NT has relinquished management of the AMD contracts resulting in additional pressure on AMD to establish a capability for the management of contracts in-house.

Planned activities for the next quarter

- Provide training and build capacity in the NC for uploading and maintaining contracts on gCommerce WMS to enable a more sustainable solution.
- Support gCommerce in NC as required.
- Finalise the situation analysis on existing WMS in the provinces and develop a WMS business case for AMD.

PROJECT 5B: RxsOLUTION MAINTENANCE AND SUPPORT

Project 5b involves enabling provinces to maintain and support facilities using RxSolution, support new installations and facilitate reporting to the NSC. Project 5b supports the objective of developing, improving and implementing IT systems to strengthen the supply chain.

In Year 3, activities to be undertaken under Project 5b include alignment of site level data with the MHPL and improvement of data acquisition for reporting to the NSC.

Activities and accomplishments in the last quarter

Activities under Project 5b included finalisation and sign-off of the RxSolution handover process in the remaining provinces (GP, EC, FS), assisting provinces in the deployment of new sites to achieve national APP targets for NSC reporting and assisting in the alignment of master data from reporting sites with the MPC.

Major activities and accomplishments associated with this project are outlined below:

- Completed RxSolution handover sign-off in LP in April 2019.
- Provided support to LP to activate the remaining nine district hospitals on the NSC and provided support in the EC to implement RxSolution in two new sites. A total of 11 new sites were activated on the NSC with a total of 457 sites utilising RxSolution across all levels of care, now reporting into the NSC.
- Reviewed and cleaned the databases of 33 RxSolution sites as part of quality improvement processes to improve quality of data reported to the NSC.

- Conducted full systems training on the RxSolution stock module for the Ethekekwini Metropolitan Municipality on 13-17 May 2019, to capacitate new users on optimal usage of the system and enable reporting to the NSC.
- Facilitated an RxSolution “reports” upgrade workshop in KZN to assist in addressing findings of the Auditor General in the province.
- Assisted GP with implementation of an interface between RxSolution and Oracle WMS to enable orders from hospitals using RxSolution to interface directly with the WMS system used by the provincial warehouse.

Performance monitoring

Activities and accomplishments under Project 5b contribute to KPIs 12 and 17

Challenges

- The outstanding sign-off activities (GP, FS, and EC) are related to delays in provinces incorporating the proposed helpdesk process into internal processes.
- Provincial structures to support the use and maintenance of RxSolution have not been formalised in some provinces. This situation requires provinces to mandate provincial IT departments to support the system.
- RxSolution engagement model for reports is still to be finalised – the Aurum Institute is the only party with the required capability to upgrade RxSolution reports.

Planned activities for the next quarter

Provide TA to the AMD project manager to complete sign-off in the remaining three provinces.

PROJECT 5c: IMPLEMENTATION AND DEVELOPMENT OF SVS (STOCK VISIBILITY SYSTEM)

Project 5c focuses on assisting AMD in building on gains achieved through the implementation of Phase I (stock holding visibility) by expanding the supply chain transactional functionality available on the mobile application. In Phase II of the project, using existing mobile devices, facility staff, will be able to place and receive orders for stock.

Year 3 Project 5c activities include supporting the development of SOPs and training materials for new functionality, developing stakeholder engagement and communication plans, supporting the identification of pilot sites for new development, implementation, and providing TA to the contracted service provider related to the SVS receiving module rollout at the pilot sites. In the last quarter of Year 3 project activities focused on supporting the development of Phase II SVS by providing technical inputs specifically in support of the testing and sign-off of the ordering and receiving functionality within the application.

Activities and accomplishments in the last quarter

An additional two ordering functionality development sprints were completed by the service provider and tested by the NDoH and GHSC in routine product forum sessions. Most of the changes requested during the previous sprint tests were prioritised and implemented. Some changes are still outstanding and close management of the service provider by the NDoH is required to ensure changes are completed timeously.

Approval was obtained from the NDoH to facilitate the first provincial product forum session as per the terms of reference (TORs) developed in the previous quarter. This session will be closely aligned and coordinated with the RxSolution Technical Steering Committee.

The University of Stellenbosch was confirmed as the service provider for the economic evaluation of SVS. The initial kick-off meeting to clarify the desired outcomes was held on 19 June and led by GHSC.

Major activities and accomplishments associated with this project are outlined below:

- Completed the review and alignment of the RxSolution Technical Steering Committee and SVS Product Forum TORs in preparation for the first coordinated sessions.
- Completed the ordering sprints and sprint tests. New functionality now allows:
 - Placing orders on the mobile application for items not part of the routine monitoring list
 - Min/max stock level upload functionality
 - Web approver review and order approval process.
- Developed draft SOP documents to support the use of the new functionality.

Performance monitoring

While strengthening end-to-end supply chain visibility, the implementation and development of SVS will contribute to improved governance (KPI 15) and workforce management (KPI 16), reporting to the NSC (KPI 17) and ultimately improved medicine availability (KPI 12).

Challenges

There are still concerns relating to the service provider's ability to adhere to agreed project timelines. Although progress is being made, the pace of development is not satisfactory and could lead to defaulting on deliverable timelines. The NDoH is aware of this issue and will manage the situation accordingly.

Planned activities for the next quarter

- Continue supporting the development and finalisation of the ordering functionality per the scope of work requested by NDoH.
- Support stakeholder interactions and access to information for the SVS economic evaluation.
- Finalise User Acceptance Testing (UAT) documents for the new ordering functionality.
- Support finalisation of the drafted SOPs to cover the new functionality (ordering and receiving).
- Implement UAT of the ordering functionality in selected provinces.
- Support the sign-off of the ordering minimum viable product as per the User Requirements Specification (URS).

PROJECT 5D: RXSOLUTION REFRESH AND REPLATFORM

Project 5d encompasses TA for the rebuilding of RxSolution onto a new platform ("replatforming") and maintaining stock related aspects of the current version of RxSolution. In Year 3, activities to be undertaken under Project 5d include assisting with refreshing RxSolution, providing TA to replatform RxSolution clinical/prescription modules and developing ePrescribing specifications.

Activities and accomplishments in the last quarter

Focus areas during the past quarter included rolling out the reporting middleware API, providing TA for the rebuilding of RxSolution and preparatory work for integrating MHPL master data into RxSolution.

Major activities and accomplishments associated with this project are outlined below:

- The reporting middleware API is installed in six provinces, namely FS, MP, NW, KZN, LP and Ekurhuleni Metropolitan Municipality in GP with extensive engagements conducted with the EC Department of Health. At the end of the quarter, there were 130 sites submitting data to the NSC via the API (i.e. 28% of sites using RxSolution)
- Completed review of the specification for the MHPL API and confirmed suitability for use by RxSolution and completed the specifications for the medicine portion of RxSolution integration with the MMDS via the newly released API.
- Provided TA regarding the building of an ePrescribing system (which is the first phase in the replatforming of RxSolution) by participating in various engagements, contributing to project planning activities, specification reviews, and UAT as well as assisting to lead an ePrescribing Technical and Compliance Committee (ETCC) workshop.

Performance monitoring

Activities and accomplishments will contribute to KPIs 15, 16, 17 and ultimately KPI 12.

Challenges

- Delays in availability of servers needed in the provinces have had a negative effect on the API rollout.
- Inadequate network configuration management in some provinces is leading to sites, which were previously submitting data to the NSC via the API, stopping submission, with the required rework impeding the rollout.
- Delays affecting MHPL web interfaces have impacted RxSolution/MHPL adoption planning.

Planned activities for the next quarter

- Continue supporting API implementation, rolling out to LP and GP provinces, and the eThekweni Metropolitan Municipality in KZN.
- Document minimum requirements to maintain API reporting to the NSC and share document with provincial IT departments.
- Provide TA to the CSIR with ePrescribing requirements.
- Complete the design specification for MHPL integration with RxSolution.

PROJECT 6: SUPPLY CHAIN STRENGTHENING

PROJECT 6A: DEMAND, SUPPLY AND DISTRIBUTION PLANNING

Project 6a contributes to the programme's key objective to support optimisation of the supply chain through strengthening demand, supply and distribution planning. These activities are instrumental in improving contracting, designing a supply chain operating model, and maintaining and improving the

supply chain. In addition, demand planning activities assist in improving budgeting and financial management of medicines, effective tender forecasting and supplier engagement.

In Year 3, the activities to be undertaken under Project 6a include the development of demand, supply and distribution planning interventions to strengthen core supply chain activities, including workforce capacity building, establishing standard processes and enabling the processes with effective tools. The programme will facilitate the implementation of demand, supply, and, where applicable, distribution planning in the provinces receiving support.

Activities and accomplishments in the last quarter

During the last quarter the demand planning process has been rolled out in KZN as the fourth province where implementation has taken place. Forecasts for three additional contracts were added for all four provinces in line with the current tender forecasting requirements.

Following a recommendation emanating from the Presidential Summit held in October 2018, that budgets for pharmaceuticals be ring-fenced to improve medicine availability, the team commenced the task of generating a budget forecast for all provinces at facility level. Although there were challenges around data availability and accuracy, baseline forecasts have been generated for eight of the provinces. Focus was on the items that make up 80% of the total value i.e. the “A” items on the ABC segmentation. Engagements with the provinces have helped to further enrich the budget forecasts and final sign-off of the budgets is expected during the next quarter.

At AMD, the demand planning team supported the generation of the latest tender forecasts for the upcoming review of three tenders (Oncology and Immunological agents - HP04, Drops, Aerosols and Inhalers - HP07 and Semi-solid and Powder Dosage Forms - HP08). The team also created the in-contract demand forecast review to compare existing contracts to the actual usage to date and the forecasted future requirements. This process has been completed for five of the 13 medicine contracts. The demand planning dashboard has been established to visualise the latest demand forecasts on the NSC reporting platform. The team also established the National Enrichment Reference Guide process and compiled the first enrichment reference guide for the family planning contract. This achievement will ensure all enrichment information, that will shape future demand plans, is captured from the health programmes teams at a national level. The establishment of a centralised planning team was approved by NDoH and job descriptions created and submitted to NDoH Human Resources (HR). The demand planning team has been working with CHAI to support the TLD transition by generating forecasts for the phasing in of TLD and the phasing out of TEE.

With regard to supply planning, the GHSC team continued to make progress with the proof of concept (POC) in four clinics in the NW. The two clinics where RxSolution has been implemented have successfully tested the automated export and import functionality of the recommended orders. This ensures that the tedious task of printing and manually recapturing orders is a thing of the past. The two sites where ordering on SVS has been implemented have also progressed to a point where a recommended order is generated every two weeks for medicines kept at the clinic. Final testing of the functionality on SVS has been delayed and will be finalised during the next quarter. A final POC report will be compiled once the SVS testing has been completed.

Major activities and accomplishments associated with this project are outlined below:

Demand planning

- Submitted the Demand Planning Business Case to NDoH in support of implementation of demand planning.
- Provided TA to AMD with the bid specification process for three tenders (HP07 Drop, Aerosols and Inhalers, HP08 Semi Solid Dosage Forms and HP04 Oncology and Immunological Agents). Commenced process to ensure transition of this activity to AMD resources in the next quarter.
- Supported AMD with generating in-contract demand plans to review actual and future volumes vs. the original contracted volumes for all items on contract.
- Completed the initial enrichment reference guides for HP03 - Family Planning, together with those required for the three tenders mentioned above in support of the bid specification process.
- Added three additional forecasts for EC, NW and GP for the bid specification development. Enrichment was done in EC and the demand review, supported by GHSC conducted.
- Initiated the demand planning implementation and training for KZN, established a steering committee and set up the first demand review. The first forecasts for the bid specification development were generated. A training workshop was held on 14 May 2019 for 21 participants and further demand planning tool specific training held with the small core team of demand planners.
- Following a recommendation from the 2018 Presidential Summit that budgets for pharmaceuticals be ring-fenced to assist in improving medicine availability, GHSC generated forecasts across all provinces for the 2020-2021 budget cycle using provincial data down to facility level. These forecasts have been enriched for some provinces, with the rest to be completed in the next quarter.
- Provided TA for the establishment of centralised demand planning at a national level. Job specifications were submitted to HR for sign-off.
- Supported the TLD transition project by generating a phase in and phase out plan for TLD and TEE for each province. Plans have been agreed by the provinces and cascaded down to facility level.

Supply planning

- Placed the initial informed push recommended replenishment orders for two clinics in NW. This new process has been proven and orders are being placed every second week for medicines stocked by the facilities.
- Established a standard approach for the use of RxSolution in two clinics on NW to enable effective management of stock in the clinics and support the automated ordering.
- Automated the order upload on RxSolution between clinic and hospital removing the time taken to retype manually orders.

Distribution planning

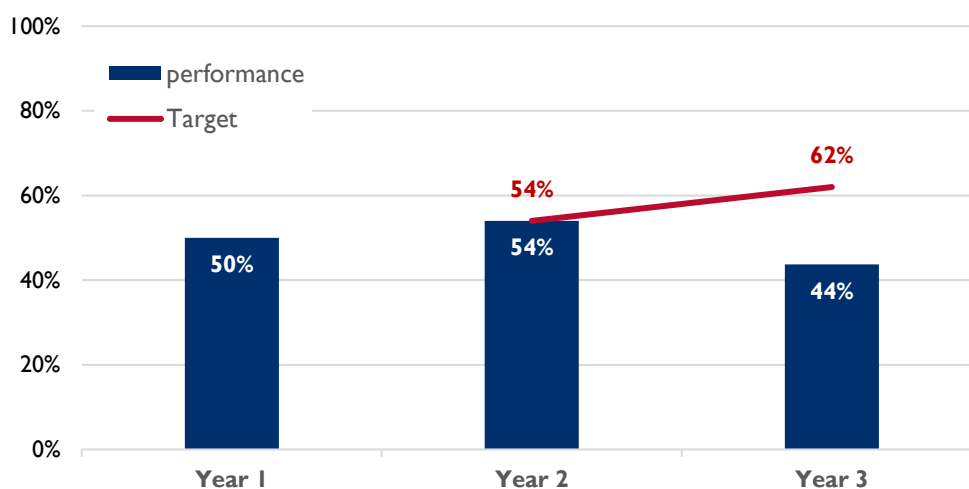
Refer to Project 6b.

Performance monitoring

Project 6a activities and accomplishments contribute to the design, maintenance and improvement of the supply chain. The programme utilises the outcome level indicator of Forecast Accuracy on Tenders (KPI 9) to measure the contribution of demand planning towards optimisation of the supply chain.

During quarter 3, a forecast accuracy of 44% was reported. This figure reflects forecast accuracy prior to implementation of the new approach to demand forecasting. The impact of work done in this area will only be measurable once the contracts, where the new approach was applied, are in use. The next contracts that will be initiated in July and October 2019 using new forecasting process.

Figure 5 Percentage of Forecast Accuracy on Tenders



Project 6a activities also support the direct delivery of MPC medicines and the delivery of medicine units by suppliers On-Time and In Full (OTIF), as well as strengthening governance, building workforce capacity, and thereby contributing to improved medicine availability (KPIs 7, 8, 10, 11, 12, 15 and 16).

Challenges

- Provincial planning resources are not fully allocated to the demand planning role, resulting in delays and lack of the focus required to effectively own and drive the process.
- Required network connectivity is not yet available in NW, preventing recommended orders from being automatically transferred from clinics to hospitals.
- Data availability and accuracy required for the budget planning process.

Planned activities for the next quarter

Demand planning

- Transition tender forecasting to AMD.
- Complete the Enrichment Reference Guides for all national contracts.
- Complete implementation of in-contract demand planning and initiate discussions regarding forecasted volumes with suppliers during scheduled supplier meetings.
- Finalise the budget forecasts, obtain sign-off from Provincial CFOs and share the final budget with NDoH CFO.
- In the provinces, hand over demand planning in the EC, complete implementation of the demand planning process in NW, continue implementing the demand planning process in GP and KZN, and establish the demand review process and initiate demand planning in LP.

Supply planning

- Automate the order generation through SVS functionality for the POC clinics.
- Compile the POC report for supply planning implementation and generate supply planning roll out plan for NW.
- Review and adjust the replenishment planning for the provincial warehouse and hospitals in NW.

PROJECT 6B: PROVINCIAL SUPPLY CHAIN SYSTEM STRENGTHENING

Project 6b seeks to support the optimisation of the supply chain through strengthening the provincial supply chain system. The activities highlighted below, are critical components to improving contract management and supporting the design, maintenance and improvement of the supply chain system.

The activities undertaken in Year 3 under Project 6b include strengthening supply chain structures and capabilities to implement sustainable interventions and support core supply chain functionalities in the provinces. The GHSC team has focussed efforts in the previous quarters on the NW while the province is under national administration, with some progress made in LP in Q3.

Activities and accomplishments in the last quarter

During the reporting period the GHSC team continued with engagements in the NW. A partner alignment meeting was attended by key stakeholders to discuss interaction between partners, and confirm responsibilities and objectives. It was agreed that the NW acting management team were in a stronger position to prioritise interventions. It was further agreed, that the GHSC team would continue to provide TA relating to workforce and finance matters, system related interventions as well as operational matters regarding OHS. Discussions to increase direct deliveries to other hospitals and include more products were de-prioritised until operational challenges that negatively impact service delivery are addressed.

Based on the above, the focus of the GHSC team during the period was on finalising workforce related activities, sign-off of SOPs, training and hand-over of responsibilities to operations. The workforce intervention continued to be a significantly complex process of re-aligning resources to actual organisational and future organisational structures. Supply chain distribution support has been reduced due to a refocus of priorities by the Acting Head of Pharmaceutical Services (HOPS) and Depot Manager and is now limited to providing TA on the development of a transportation contract model and finalising the direct delivery strategy and guidelines that will be delivered to the Acting HOPS for further action. TA was also provided to support the review and restructuring of the medicine budget and in drafting processes to recover funds from health care facilities.

In LP, the GHSC team is developing a supply chain strategy document for pharmaceutical services related to planning, contracting, physical movement, and contract management.

The provision of TA to the Central Chronic Medicines Dispensing and Distribution (CCMDD) programme continued during the reporting period for all provinces.

Major activities and accomplishments associated with this project are outlined below:

Workforce

- Finalised the pharmaceutical organisational design which was approved by the acting HOPS, [REDACTED] presented to the Member of the Executive Council (MEC) for Health with recommendations on correcting staffing level anomalies. The proposed pharmaceutical organisational design was incorporated in the Provincial Department of Health's overall structure and circulated by the Office of the Premier to staff to obtain their input. Consultation sessions attended by senior provincial officials were held with staff on the proposed structure, which was approved by the MEC, and is awaiting finalisation of the overall Departmental structure.
- Held consultation sessions with staff to address employment complaints and concerns. A matrix was developed to categorise all HR and labour items and to track progress with the Provincial HR team. Feedback sessions with Unit Managers and change agents took place.
- Provided assistance with a qualifications audit and the baselining of qualifications for each position on the organogram in accordance with DPSA requirements.
- Verification of job descriptions in line with the approved Pharmaceutical Services Structure took place and job specifications were developed for vacancies in line with the proposed structure.
- Provided support in the finalisation of the provincial annual operational plan.

Training

- Provided training to depot staff on the stock take count SOP which was implemented, with GHSC providing post-training support.
- Provided mentorship to the depot HR officer in consolidating the training needs for depot staff for submission to the Provincial HR Office.
- Updated the training plan and provided ongoing support with the organisation of training of pharmacist's assistants, occupational health and safety, and forklift training.
- Conducted training on timekeeping and attendance with the Depot Unit Managers, using the newly developed daily, weekly and monthly attendance sheets.

Financial management

Interventions aimed at improving supplier payments to avoid interruptions in the supply of medicine included the following:

- Reviewed and revised the medicine and medical supplies payment process in collaboration with the new management team. The payment process flow and SOP have been updated and submitted to management for approval. GHSC discussed the recommended changes, which include minimising and/or eliminating processes that add little to no value, with the provincial CFO who agreed to continue with implementation.
- Provided TA in the development and review of the Depot Finance user requirements for the implementation of the new invoice tracking tool and supplier portal.
- Provided continued TA to the Finance team to manage the payment of accruals from the districts and implement strategies to improve communication with key stakeholders.

- Finance reporting requirements were drafted and submitted to Depot management for submission to the office of the CFO.

Depot Systems and Processes

- Finalised and implemented the stock take SOP during the annual stock take.
- Updated draft SOPs to follow an easier-to-read format as requested by the Acting Depot Manager - eight draft human resources SOPs, and 20 operational and regulatory SOPs are under review by the Acting Depot Manager.
- Assisted with enhancing the interface between RxSolution and the WMS (DSMS) with enhancements aimed at eliminating any file manipulation and enable files to move directly from one system to another.
- Instituted formal ICT meetings at the depot to improve activity tracking and management.

Infrastructure and occupational health and safety

- Conducted an OHS personal and protective equipment (PPE) assessment, developed a matrix on staff needs for PPE and conducted PPE training for all depot staff in May 2019.
- Assistance was given to the OHS committee, which met for the first time, office bearers were elected and members volunteered to take on various roles and responsibilities.

Planning

As per Project 6a (demand and supply planning).

Assess and optimise outbound network

Provided TA with the development of an implementation strategy, guidelines for the expansion of direct deliveries within the province, as well as SOPs for direct delivery document flow, diversion of orders to the Depot and supplier performance management.

Discussions to roll out direct deliveries to other hospitals and include more products have, however, been put on hold. The Depot management team will revisit this discussion once burning operational issues have been resolved, including transition of the payment process from the Province to the depot, stabilisation of the payment process, and commissioning of the invoice tracking tool.

Central Chronic Medicines Dispensing and Distribution (CCMDD)

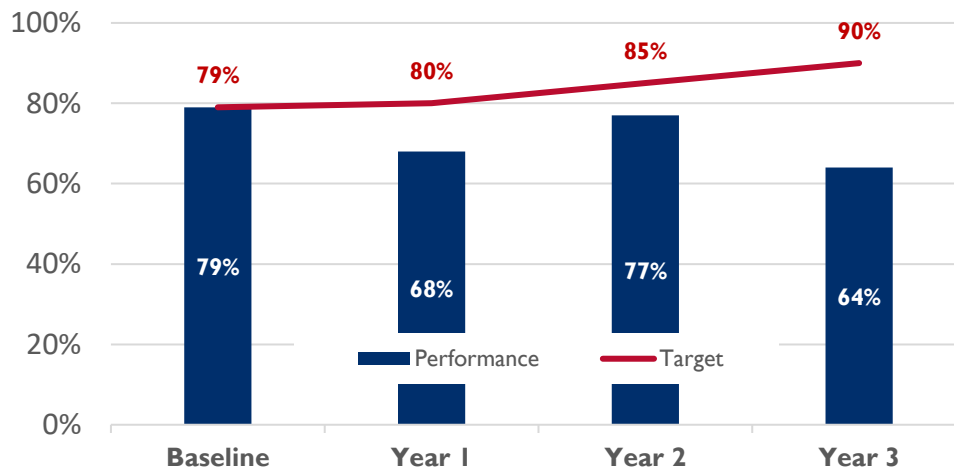
- Provided TA in monthly status meetings between NDoH and CCMDD service providers.
- Assisted one of the CCMDD service providers to clear overdue orders, thereby averting unnecessary stock outs, and assisted with active management of critical item lists (including metformin, atorvastatin, clopidogrel, enalapril, digoxin and zidovudine and lamivudine).

Performance monitoring

The project's theory of change posits that Project 6b activities in combination with Projects 6a and 7, will contribute to progress at the outcome level towards improving the percentage of medicine units (both ARVs and non-ARVs) delivered by suppliers within the contractual lead time (KPIs 7 and 8), perfect order fulfilment (KPI 10), order fulfilment cycle time (KPI 11), availability of MPC items (KPI 12), and improvements in operational capacity at the provincial level (KPI 13).

During the period under review, 64% of ARVs were delivered within contractual lead time at the provincial level (KPI 7). While performance remains below Years 1 and 2 and the Year 3 target of 90% shown in Figure 6, it represents an improvement compared to last quarter's 61%.

Figure 6 Percentage of ARVs delivered by Suppliers within Contractual Lead times

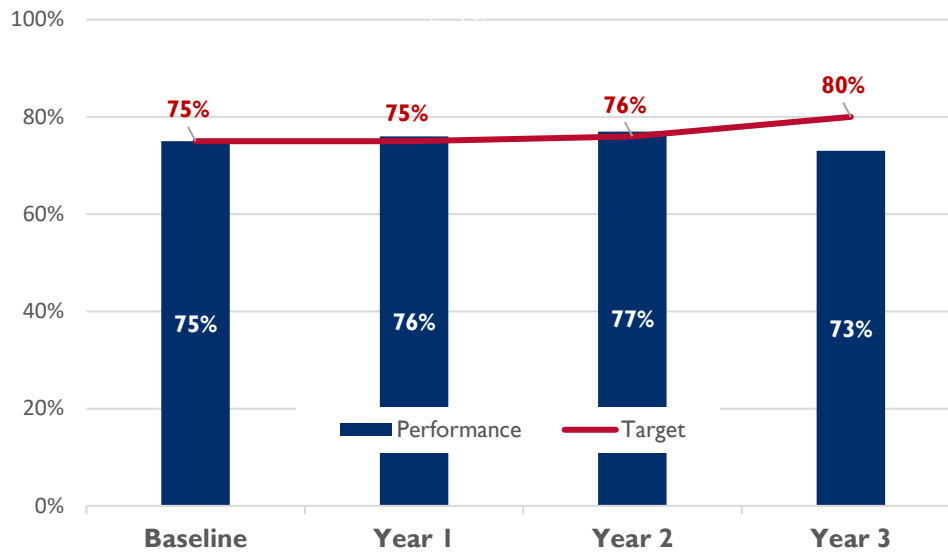


Performance this quarter can be partially attributed to a series of supply challenges at three large suppliers, which affected overall performance. The three suppliers had average lead times between 15 - 37 days, which is more than the 14 days stipulated in the contract. A major contributing factor to performance against this KPI has been the overall shortage of lamivudine containing items, due to a global shortage of the active pharmaceutical ingredient. These supply challenges resulted in delayed deliveries of key ARVs, as supply was constrained.

While a decrease in performance was observed, all nine ARV suppliers (100%) submitted data to the RSA Pharma database demonstrating an improvement in data submission from 89% of ARV suppliers at baseline. Improvements in reporting increase the quality and reliability of data informing KPI 7.

With regard to the delivery of non-ARVs (KPI 8), 73% of MPC medicines, excluding ARVs, were delivered within contractual lead time. Similar to ARV deliveries, Q3 performance demonstrated a slight decline against Year 1 and Year 2 performance and is below the Year 3 target of 80% as shown in Figure 7.

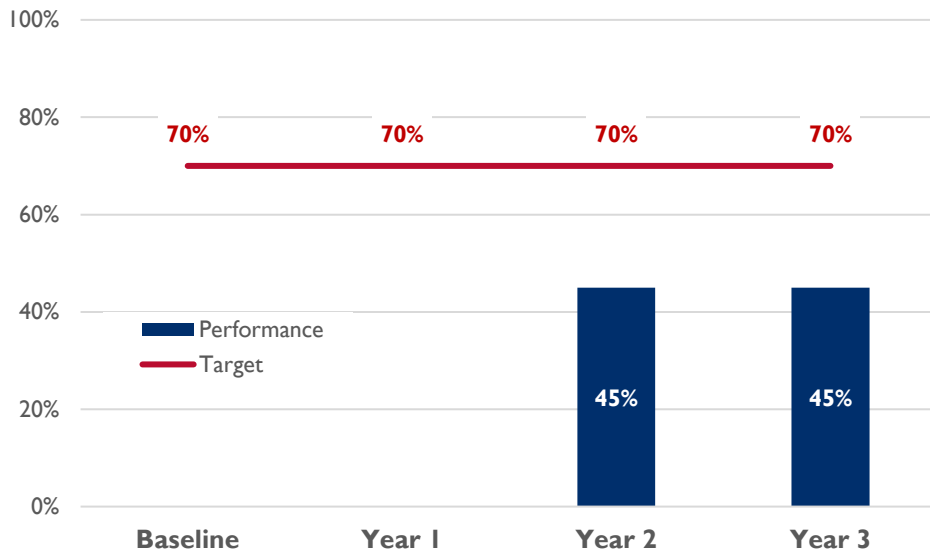
Figure 7 Percentage of MPC Medicine Excluding ARVs delivered by suppliers within Contractual Lead times



The increase in average lead time for MPC medicines (excluding ARVs), from 14 days in Year 2 to 17 days in the reporting period contributed to the overall performance on the KPI. In addition, approximately a third of the suppliers, representing a significant percentage of the national volume, experienced supply challenges during this quarter. Due to the increase in lead time, the on time delivery performance from suppliers decreased from 77% to 73% as depicted in Figure 7 above. Increased lead time can be attributed to the fact that two large contracts, accounting for 43% of medicines were awarded during this period. New contracts allow for a longer lead time for the first orders against contract, which had a negative impact on performance against the KPI.

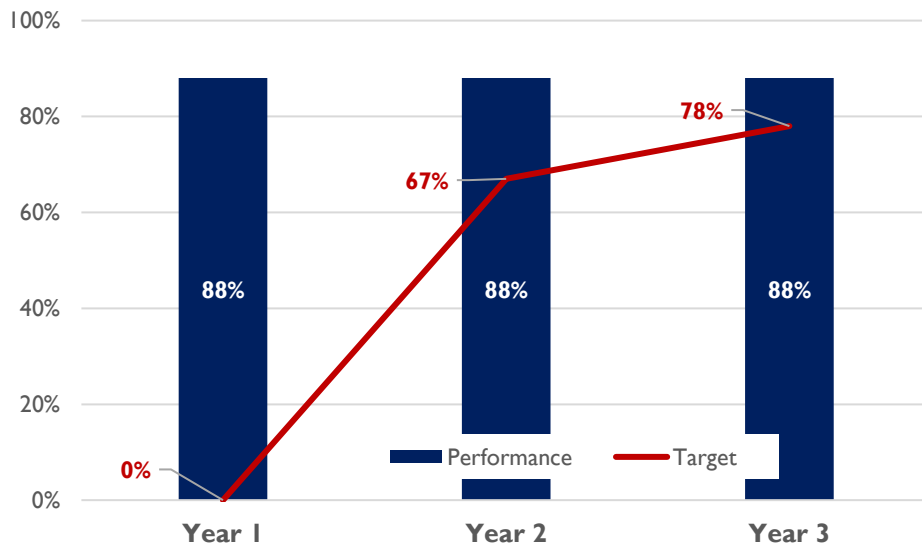
During the quarter, KPI 14, the percentage of identified MPC medicines delivered to designated hospitals via direct delivery remained stable at 45% as shown in Figure 8. In the NW, a decision was taken to delay the scaling of direct delivery to facilities, until financial and administrative challenges have been resolved.

Figure 8 Percentage of identified MPC medicines delivered to designated hospitals via direct delivery



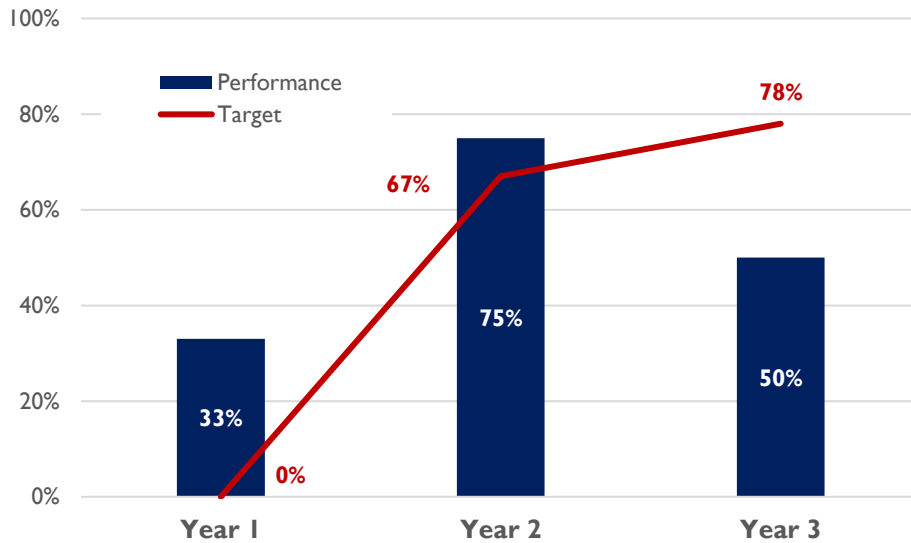
KPI 10 – the percentage of assisted provinces demonstrating improvements in perfect order fulfilment (for orders placed on suppliers), remained at 88% (seven out of eight provinces). Performance has remained consistent since Year 1 and was above the target of 78% as shown in Figure 9.

Figure 9 Percentage of assisted provinces demonstrating improvement in perfect order fulfilment



For KPI 11, the percentage of assisted provinces demonstrating improvements in order fulfilment cycle time (for orders placed on suppliers), four of the eight assisted provinces or 50% demonstrated improvement shown in Figure 10. This outcome is consistent with the decreased compliance to contractual lead time, which has an impact on the overall order cycle time.

Figure 10 Percentage of assisted provinces demonstrating improvement in perfect order cycle time



KPI 12 measures the percentage availability of MPC items at health establishments - disaggregated by hospitals and PHCs. By the end of this reporting period, 87% availability was reported at PHC clinics demonstrating a slight decline from the Year 2 performance of 89% shown in Figure 11. Hospital performance was reported at 84% demonstrating a slight decline from Year 2 as shown in Figure 12. Performance, however, remained stable throughout the past two quarters. In the reporting period, several medicine lines remained affected by supplier related constraints and the awarding of new contracts, which are affecting medicine availability at both hospital and clinic level (in particular vaccines, ARV therapy, and anti-TB therapy - with particular challenges relating to lamivudine containing products and isoniazid). The NDoH has established the Improved Medicine Availability Team (IMAT) to address supplier related constraints. The IMAT has begun making progress in managing supply challenges for medicines, with GHSC working closely with the AMD to facilitate the operationalisation of the IMAT in alignment with NSC and PSC initiatives.

Figure 11 Percentage availability of MPC items, PHC

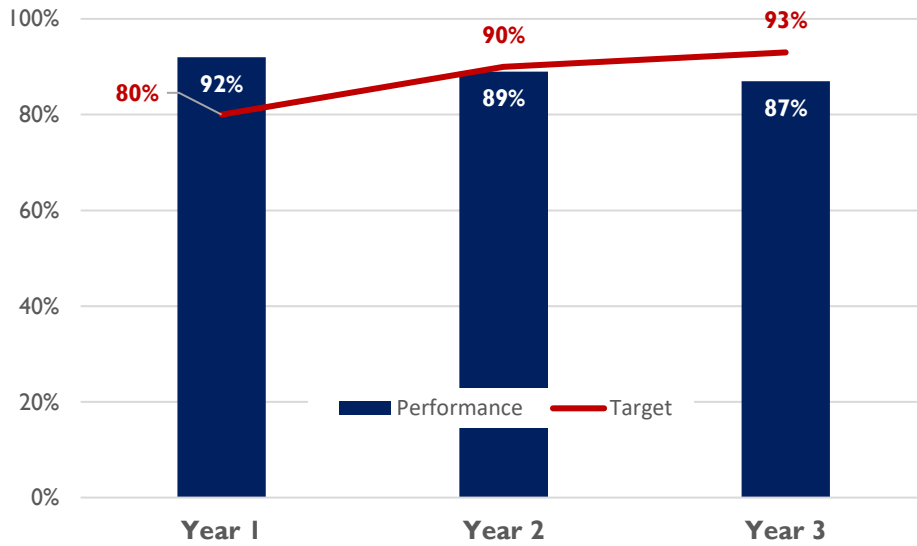
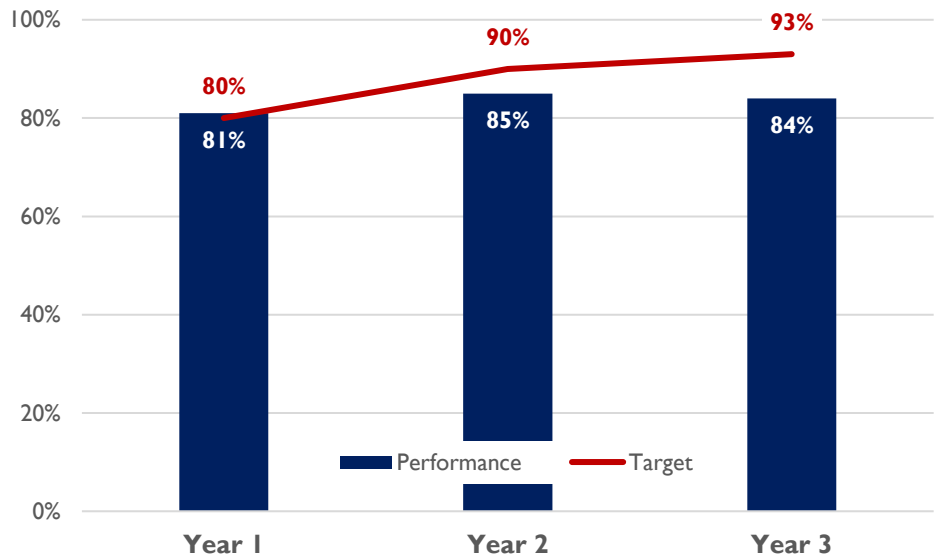


Figure 12 Percentage availability of MPC items, Hospitals



Under Project 6b, the programme also seeks to measure improvements in operational capacity from baseline to endline among assisted provinces (KPI 13). Preliminary findings suggest that the accomplishments and improvements under Project 6b are supporting improvements in operational capacity. Performance informing this indicator will be reported at endline (end of Year 3). Project 6b activities also contribute to KPI 9 and KPI 14. Furthermore, the effects of provincial supply chain system strengthening influence the outcome measures in strengthening governance, building workforce capacity, establishing standardized processes, and improving forecasting and budgeting.

Challenges

- Continued labour union consultations influence staff buy-in and support.
- Slow turnaround time on recruitment of key positions and provincial HR investigations.
- Delays in validating and completing job descriptions due to limited availability of senior resources.
- Delays in finalising the payment SOPs which impact on procurement processes as well as hospital requisition processes.
- Progression of the roll-out of direct deliveries to other facilities is heavily dependent on the automation of manual processes such as processing of orders and invoices.
- Conflicting priorities of key stakeholders which delays finalising some activities.

Planned activities for the next quarter

- Complete validation of job descriptions with Acting HOPS and Depot Manager and align specifications to proposed structure for new advertisements of vacant positions.
- Finalise key SOPs once input has been provided by management.
- Continue guidance and support regarding pharmacist's assistant training, forklift licence training and OHS training.
- Review and update service level agreement between Pharmaceutical Services, Depot and demanders.
- Develop a close-out report for the NW engagement detailing the interventions, achievements and lessons learned.
- Finalise the province specific supply chain strategy document for pharmaceutical services in LP.

PROJECT 7: DEPARTMENTAL STRUCTURE AND STRENGTHENING INTERVENTION

The purpose of Project 7 is to strengthen, improve and capacitate AMD to provide a fit-for-purpose department, able to respond quickly and efficiently to demands imposed by the rollout of new strategic interventions. Project 7 further complements the activities undertaken in Projects 3, 4, 5 and 6 in supporting optimisation of the supply chain and improving financial management.

In Year 3, activities proposed under Project 7 include transitioning of the Contract Management Unit (CMU) and implementation of revised roles and responsibilities for the Information Systems and Projects (ISP) unit, as well as ongoing activities across AMD.

The objectives for Project 7 in this quarter were threefold:

- Transitioning support activities provided to the CMU to AMD management
- Implementation of the optimised ISP "To Be" Design
- Ongoing workforce strengthening activities to support AMD

Activities and accomplishments in the last quarter

Activities under Project 7 for this quarter included finalisation of the CMU transition plan and induction pack, as well as the provision of additional support required by AMD following the resignation of staff

members. Ongoing performance monitoring and support provided for the ISP team, included ongoing huddle sessions, training and coaching sessions. Refinement of the AMD interim organisational structure and design of the end state AMD structure also took place.

Major activities and accomplishments associated with this project are outlined below:

CMU

- Finalised transition pack and handover of deliverables.
- Finalised and presented CMU induction pack to the CMU team.
- Seconded a resource from the GHSC team to support the CMU team as an interim measure following the resignation of key personnel from the Unit.

ISP

- Presented the ISP impact assessment to the Director: AMD. Governance structures and processes have been designed and are being implemented. The allocations of projects to PMs were finalised and shared.
- Finalised the project management playbook, which features processes and templates used for project management together with roles and responsibilities of PMs. The playbook and associated artefacts form the basis for knowledge sharing and more consistent application of project management principles by PMs.
- Continued with the knowledge sharing sessions on the playbook with seven sessions conducted during the reporting period.
- Held individual coaching sessions with ISP PMs on their new roles and responsibilities and continued weekly huddle sessions for the ISP team.

AMD

- Presented the new AMD structure to the Deputy Director General: NHI.
- Provided *ad hoc* support to the Director: AMD on the development of job descriptions for AMD units.

Performance monitoring

The programme's theory of change posits that Project 7 will result in improvements to KPIs 7, 8, 10 and 11, ultimately leading to improvements in availability of MPC items at health establishments (KPI 12, 15 and 16).

Challenges

- Competing priorities for critical AMD stakeholders resulted in delayed sign-off and approvals of the interim AMD structure.
- Incomplete attendance by ISP team members at knowledge management sessions and huddles due to competing priorities.
- Monitoring of KPIs for the unit is dependent on the finalisation of the annual operational plan. Interim KPIs are, however, being measured.

Planned activities for the next quarter

The following key activities are planned for next quarter

CMU

- A member of the GHSC team will provide ongoing support to the Unit.
- Assist with induction pack training for new staff, as required.
- Assist with development of Quarterly Impact Assessment presentations.

ISP

- Quarterly monitoring and measurement of ISP new design, performance, outcomes and impact and presentation of reports to AMD leadership.
- Ongoing coaching sessions with the ISP team based on individual needs.
- Continuation of training and implementation of the project management playbook.
- Continue with weekly huddles: undertake regular evaluation and impact assessments.

AMD

- Finalise the AMD interim structure, incorporating changes requested by the Director: AMD.
- Draft proposed End-State NHI conceptual structure for CPA and AMD, including the interaction model and capability map.
- Define the roles and responsibilities for both national and provincial finance teams relating to the demand planning budgeting process and develop interaction model

PROJECT 8: GOVERNANCE

Project 8 is designed to implement relevant structures and processes to improve governance and provide TA in developing policy and legislation.

PROJECT 8A: IMPLEMENTATION OF PULSE

Project 8a, the implementation of PuLSe contributes to the overarching goal of improving medicine availability through the strengthening of governance and improving management of workforce certifications. The PuLSe system was designed to enable health care providers to apply for and manage dispensing licenses and permits issued in terms of the Medicines and Related Substances Act 101 of 1965, and yellow fever licences issued in terms of the International Health Regulations online.

In Year 3, the activities to be undertaken under Project 8a included sourcing a secure hosting environment, conducting UAT, supporting the phased on-boarding of health care professionals, hosting a launch event, and integrating into NHI Systems, where applicable.

Activities and accomplishments in the last quarter

During this period, work continued to resolve challenges relating to transitioning PuLSe to a secure hosting environment. Major activities and accomplishments associated with this project are outlined below.

- Supported NDoH in discussions with the Council for Medical Schemes (CMS) regarding the possible hosting of PuLSe by that body. A draft proposal was prepared and submitted to CMS by AMD and is

under review. The servers needed have been acquired by CMS and are being configured in preparation for transition of the system.

- Provided assistance to AMD in actions needed to secure a maintenance and support contract for PuLSe, as well as negotiations with representatives of the NHI IT team regarding support of that unit with the 'help desk' function for PuLSe.
- Commenced transitioning of this activity to the AMD PM.

Performance monitoring

As noted above, performance against the KPIs informing strengthened governance and improved workforce management will be reported at endline (end of Year 3).

Challenges

- Delays in transitioning of PuLSe system to a suitable hosting environment.

Planned activities for the next quarter

- Support the transition of PuLSe to the CMS hosting platform.
- Assist in finalising NDoH/CMS hosting proposal and assist drafting of SLA between NDoH and CMS.
- Provide TA in internal testing for bugs and functionality once migrated.

PROJECT 8B: STRENGTHENING MEDICINE SELECTION AND USE

Project 8b informs the programme's key objective of improving the selection and use of medicines. In Year 3, activities to be undertaken under Project 8b include support in the development of the Health Technology Assessment (HTA) strategy and costed implementation plan, as well as the development of the Pharmaceutical and Therapeutics Committee (PTC) Guideline.

Activities and accomplishments in the last quarter

Many of the activities under Project 8b for the quarter have involved supporting the NDoH in the establishment of a framework for an agency to conduct HTA, incorporating medicines, medical devices, diagnostics and procedures, linked to clinical guidelines production and coordination, health benefits package design and quality standards. In addition, the GHSC team has supported AMD in strengthening the current medicine review process through the National Essential Medicines List Committee (NEMLC) in an effort to prepare for the transition to a system of HTA.

Other activities under Project 8b included the development of policies, guidelines, processes and interventions to establish governance frameworks for evidence-based medicine selection and the rational use of medicines (RMU). The draft National PTC Guideline aimed at providing policy guidance and corresponding tools for use by PTCs to support the functioning of these bodies and promote both good governance and the rational selection and use of medicine, was sent for stakeholder review and amended following comments received. The AMD Conflict of Interest Policy was adopted by the National Essential Medicines List Committee (NEMLC). In addition, the required Declaration of Interest form was developed and is under review. Memoranda of Understanding (MOUs) were developed between AMD and the National Health Laboratory Service (NHS), as well as the Department of Agriculture, Forestry and Fisheries (DAFF) to establish terms for information sharing and collaboration in the fight against Antimicrobial Resistance (AMR).

Major activities and accomplishments associated with this project are outlined below:

Strengthen Health Technology Assessment Capacity

- Developed and updated the HTA Stakeholder database to include a diverse range of stakeholders for communication regarding the HTA Strategy.
- Developed and updated a costed HTA Project Plan to monitor and evaluate progress of activities and expenditure from the NHI HTA Grant funding received by AMD from NT.
- Assisted AMD with the identification of potential members of the HTA Technical Working Group (TWG) and preparation of the documentation required for appointment of members.
- Revised the draft Terms of Reference (TORs) of the HTA TWG to accommodate discussions held with the DDG: NHI on the functions of the TWG.
- Assisted in the preparation and publication of a Call for Expression of Interest in the development of HTA deliverables, which was published on the NDoH website to encourage interested individuals and organisations to register on a stakeholder database. Responses were collated for analysis prior to contracting service providers to support AMD with strengthening the current medicine review process.
- Drafted and finalised a costing analysis for flucytosine to be presented at the NEMLC meeting on 11 July for possible inclusion of the medicine on the Essential Medicines List.

PTC Guideline development and other policies

- Developed a complete draft of the PTC Guideline, which was disseminated for stakeholder review. Following input received, the guideline was amended and republished for further comment.
- Presented the AMD Conflict of Interest Policy, which was ratified at NEMLC on 11 April, following which the required declaration form was drafted and is currently under review by NEMLC.
- Worked with EDP on the development of an article regarding the use of unregistered medicine via Section 21 of the Medicines Act to address challenges relating to security of supply of medicines, for publication in the South African Pharmaceutical Journal.

AMR Memoranda of Understanding

- Reviewed and amalgamated the two Antimicrobial Resistance MOUs between NDoH and the National Institute for Communicable Diseases (NICD), and NDoH NHLS into one MOU based on input received from NHLS.
- Finalised the draft MOU between NDOH and the DAFF.

Performance monitoring

KPI 1 examines the maturity of the medicine selection process utilised by measuring the Number of medicine reviews conducted which result in recommendations to the NEMLC. Measurement of KPI 1 was affected by the suspension of the implementation of HTA activities in Year 2 due a decision by AMD to deprioritize HTA support.

KPI 2, the percentage of medicine selection staff and committee members trained who demonstrate increased levels of self-assessed skills and knowledge to perform and interpret medicine reviews is an

endline indicator and will therefore be measured at completion of the three-year base period of the programme.

Building upon KPI 1, the programme seeks to measure the Percentage of recommendations of ERCs to NEMLC which utilize HTA outputs (KPI 3). To date, the total number of medicine selection recommendations made utilising HTA outputs remains at three. Recommendations were made regarding the use of Tretinoin, long-acting beta antagonists and Fondaparinux. GHSC is currently leading the development of a costing analysis for flucytosine. While the programme can report on the number of recommendations made utilising HTA outputs, it is not possible to identify the total number of medicine reviews conducted as noted above under KPI 1. It is thus not possible to report on the percentage of recommendations made which utilise HTA outputs.

KPI 4 measures the Number of formularies generated and will monitor implementation of the formulary tool once finalised and implemented under Project 2. In the interim, the number of provinces with a provincial formulary, reported to the Pharmaceutical Services Dashboard is used. This dashboard is still no longer accessible due to a change in the hosting platform. Based on the most recent available data, five of the nine provinces reported that a provincial formulary had been generated.

KPI 5 highlights the implementation of the Standard Treatment Guidelines (STG) and Essential Medicines List (EML), by measuring the Percentage of expenditure on non-EML items. This data is also reported by provinces on the Pharmaceutical Services Dashboard. As noted above, this dashboard was not available for the reporting period. During the period for which data is available, provinces reported 1.6% expenditure on non-EML items against a target of less than 10% demonstrating an improvement of 0.3% as compared to baseline.

KPI 6 measures the operational capacity of PTCs by assessing governance, member management, and performance of core PTC functions at endline compared to baseline. To date, the programme has not provided direct assistance to PTCs and does not anticipate doing so until after Year 3, following the completion and sign-off of the PTC Guideline projected for September 2019. Activities under project 8b are also believed to influence the outcome measures relating to medicine availability, strengthening governance, and building workforce capacity as measured by KPIs 12, 15 and 16.

Challenges

None

Planned activities for the next quarter

- Revise and finalise the PTC Guideline based on input from stakeholders.
- Assist in convening the HTA TWG and draft a project plan for the development of the HTA Strategy.
- Other HTA support, including submissions to the DDG: NHI to enable contracting of service providers and development of terms of reference for activities.

PROJECT 8C: OTHER GOVERNANCE INTERVENTIONS

Project 8c encompasses the development and implementation of governance structures, including policies and processes to support medicine availability functions. It also includes the development and revision of legislation and regulations as an enabler for medicine availability.

Activities and accomplishments in the last quarter

In this quarter, project 8c has achieved multiple milestones. The guidance for the issuing of licensing for pharmacy premises was reviewed and updated, a guideline for the issuing and management of Section 22A(15) permits was prepared, and support provided in the revision of various governance documents required to support the contracting process.

Major activities and accomplishments associated with this project are outlined below:

- Reviewed and consolidated public comments received on the Guidance for the issuing of licensing for pharmacy premises published in the Government Gazette in December 2017. Support was also provided to AMD in presenting the revised Guidance document to the DDG: NHI and inputs received incorporated.
- Provided TA to AMD in addressing various concerns raised by the SAPC with regard to the issuing and management of Section 22A(15) permits which enable nurses to supply certain medicine to patients. To assist in addressing some of these concerns in short term, the current application form for these permits was revised, the list of medicines which can be supplied was amended and guidelines relating to the issuing and management of permits drafted. Negotiations with the SAPC are underway.
- Supported AMD in reviewing the Special Conditions of Contract (SCC) template which was presented at the NHC-PS-SC meeting held on 28 May 2019. The aim of this work is to strengthen the conditions of contract to support security of supply of essential medicines including ARVs and medicine used in the prevention and treatment of TB. Further work is underway to engage the Departmental Bid Adjudication Committee (DBAC) on the preference threshold for locally produced products. A supplier management guideline was drafted in alignment with the revised Special Conditions of Contract.
- Drafted and submitted revised Terms of Reference for the Bid Evaluation Committee (BEC).
- Following the transition of contracting back to AMD from NT, assisted AMD with the tendering process including the closure of bids, administrative functions and preparation for the Bid Evaluation Committee (BEC) and the Departmental Bid Adjudication Committee (DBAC) for the TB and anti-infective tenders (HP-01 and HP-02).
- Supported AMD in requesting a meeting with the Office of the CEO of SAHPRA to discuss and review the draft guideline related to implementation of 2D or data matrix barcoding.
- Drafted the TOR for the Improved Medicine Availability Team (IMAT) which is tasked to identify medicines where a national shortage is being experienced or is anticipated.
- Provided input into the prescription template to be included in the integrated patient stationery for Ideal clinic / Hospitals.

- Supported Pharmaceutical Services in the FS with facilitation of a workshop held on 12 June, to review the SLA between medical depot, pharmaceutical services and demanders aimed at strengthening the supply chain in the province.
- Provided TA in the review of revision of the AMD roadmap and presentation thereof at the WG meeting.
- Provided support in the AMD roadshow held in the FS, KZN, and GP.
- Consolidated comments from stakeholders into the Presidential Health Summit Report Pillar 2 into an action plan for submission to the Presidency.

Challenges

- The TWG for the development of barcoding regulations has not been setup due to unavailability and/or competing priorities of the SAHPRA.

Planned activities for the next quarter

- Assist in setting up TWG with SAHPRA on the draft guideline for barcoding.
- Submit the medicine availability monitoring policy to AMD for review and input, finalise the supplier management policy and draft the supply planning guideline.
- Finalise the IMAT terms of reference.
- Support the AMD roadshows in NW, WC, LP, EC and MP.
- Present the guideline for the issuing and management of the Section 22A (15) permit to the SAPC and draft the guideline for organisations performing any health service as designated by the DG (in accordance with Section 56(6) of the Nursing Act).

PROJECT 9: TLD TRANSITION

The TLD Transition project supports Global ART optimization by transitioning eligible first line HIV positive patients from the current TEE regime to the TLD regimen. TLD (Dolutegravir) is being introduced as an improved 1st line treatment over Efavirenz. The new ARV tender will be effective July 2019, with provinces working with NDoH to estimate demand for both TEE and TLD. Phase-in of TLD is expected to take about a year, with the first patients expected to transition in September 2019. GHSC is working with the NDoH TLD team, Programmes and Pharmaceutical Services in provinces to develop plans to ensure readiness.

Activities and accomplishments in the last quarter

Major activities and accomplishments associated with this project include:

- Developed the national and provincial demand plan (Phase 1) for TLD and TEE with input from provincial stakeholders. The final phasing options for each province were updated in the model and shared with each province. The final provincial forecast (Phase 2) down to facility level is in progress and will be submitted for sign-off by the HOPS and the Acting Director of the Strategic Health Program.
- The CCMDD phase-in option was incorporated into the National Demand Plan for the TLD Transition.

- Developed the National Supply Plan to facilitate security of supply on the new ARV contract. The final demand input was updated in the supply plan and shared with suppliers. Monthly meetings are held with suppliers to inform them of issues relating to the transition and to discuss forecasts.
- Created a national and provincial project plan to track activities on the TLD transition. Weekly meetings take place with the TLD Champions to track progress and address any risks identified.
- Provincial Roadshows took place in all provinces to provide information on the transition.
- Developed an AMD Connect monthly newsletter to inform provincial stakeholders, Pharmaceutical services and the Strategic Health Programme on the TLD Transition. The purpose of the newsletter is to provide updates on the current AMD projects, success stories, key information and action required from provincial stakeholders. Two volumes were circulated to stakeholders.
- Assisted AMD with the development of the Special Conditions of Contract and verified that volumes for an additional tender for ARVs, which is required due to changes in the treatment guidelines.

Performance monitoring

The TLD transition Project aims to strengthen end-to-end supply chain visibility, and forecast accuracy by the development and implementation of a national/provincial demand and supply model that will improve Forecast Accuracy on Tenders (KPI 9), assist provinces with improvement in Perfect order fulfilment (KPI 10) and assist provinces to improve order fulfilment cycle time (KPI 11). As the new ARV contract only comes into effect from 1 July 2019, the impact can only be observed in the next reporting period. Given the increased focus on ARV medicines during the TLD/TEE transition, it is further expected that KPI 7 should see an improvement in ARVs delivered within the contractual lead time.

Challenges

- Delays in ARV Guidelines finalisation has impacted demand and supply planning, training and overall transition planning. Transition start date moved to 1 September.
- The Demand on TEE will be higher at the beginning of the transition (for a longer period) due to guideline and training delays and can result in TLD stock ageing.
- Need for correct messaging regarding TEE/TLD to patients and civil society to obtain buy-in from the public on the new ARV regime.

Planned activities for the next quarter

- Updated National Scenario Phase-in Plan will be presented to stakeholders for sign-off.
- Provincial Demand forecast (Phase 2) to facility level will be prepared and finalised for sign-off.
- Establish Provincial Steering Committee to provide a simple, high-level plan for engaging and working with all stakeholders to provide guidance and oversight of the TLD Transition.
- Develop plan with CMU to track Second Line treatment (ARV), contraceptives and TB preventive therapy.
- TLD Dashboard updated with Provincial Demand and development of KPIs to track transition targets.
- Development and implementation of the Provincial Risk Register.
- Weekly feedback meetings with Provincial Champions to track transition activities.

7. CRITICAL RISKS

The GHSC team has identified critical risks shown in Table 2.

Table 2 Critical Risks

Project	Risks	Mitigation
Project 3	<ul style="list-style-type: none"> Delay in implementation of KPIs due to immature structures, systems and processes 	<ul style="list-style-type: none"> AMD Governance unit to drive the development of processes and procedures for activities required to generate data for the KPIs
Project 3	<ul style="list-style-type: none"> Securing dates with provinces for PSC follow up sessions 	<ul style="list-style-type: none"> Drive the pre-engagement process with HOPS
Project 5a	<ul style="list-style-type: none"> The outcomes from the situation analysis and the DPSA report will influence the immediate next steps for the project 	<ul style="list-style-type: none"> AMD has taken ownership of ensuring the timely execution of the system review by DPSA
Project 5c	<ul style="list-style-type: none"> IT contractor adherence to agreed development timelines 	<ul style="list-style-type: none"> AMD Project Manager to manage service provider as per SLA
Project 5d	<ul style="list-style-type: none"> Variations in IT environment configurations across provinces may result in unforeseen challenges when implementing the reporting middleware Poor network configuration management in some areas causes RxSolution sites to lose connectivity with the reporting API when network engineers make changes without considering the impact on the reporting API Slow response from some provinces to the request to provide hosting space for provincial middleware API rollouts 	<ul style="list-style-type: none"> Reporting middleware will be amended as needed when challenges with provincial IT environments are encountered Collaboration with in-province RxSolution champions to promote awareness of the issue among network engineers and ensuring that the champions have procedures to recover sites that fall away Promote awareness of the advantages of the Middleware API with RxSolution champions with provinces taking ownership thereof
Project 6a	<ul style="list-style-type: none"> Lack of available resources in provinces has the potential to slow implementation of the new demand planning process and ability to generate a monthly demand plan Data accuracy for the budget planning exercise 	<ul style="list-style-type: none"> A proposal has been made to introduce centralised demand planning with a larger share of the work performed by a small, centralised team with provincial personnel providing local enrichment, insights and demand plan sign-off Continue to work with the provinces to correct the data
Project 6b	<ul style="list-style-type: none"> Misaligned strategies, objectives and priorities of key stakeholders Capacities and capabilities of provincial teams to own the solutions 	<ul style="list-style-type: none"> Continue with regular sessions and regular communication between all parties Monitor and escalate where appropriate
Project 8a	<ul style="list-style-type: none"> Potential for delays in transitioning PuLSe to CMS 	<ul style="list-style-type: none"> Follow up to offer support in finalising proposal

8. ANNEX: SUMMARY OF PERFORMANCE AGAINST KPIS

Indicator	Reporting Year	Baseline Value	Year 3 Proposed Target	Year 3 Achievement to Date	% of Proposed Year 3 Achievement to Date
Objective 1 – Improve selection and use of medicine.					
Desired Outcome – Selection and Use of Medicines Improved.					
Sub-Objective 1.1- Assist with implementation of Health Technology Assessments (HTAs)					
Key Performance Indicator 1: Number of medicine reviews conducted by the Expert Review Committees.	FY19	N/A	25	N/A	N/A
Key Performance Indicator 3: Percentage of recommendations on medicines selection utilising HTA outputs.	FY19	0%	10%	N/A	N/A
Sub-Objective 1.2 – Improve Rational Medicine Use (RMU)					
Key Performance Indicator 4: Number of formularies generated.	FY19	0	9	5	56%
Key Performance Indicator 5: Percentage of expenditures on non-Essential Medicine List items on the MHPL.	FY19	N/A	<10%	1.6%	100%
Objective 2- Support optimisation of the supply chain					
Desired Outcome - Improve security of medicine supply through the establishment of function MPUs and strengthening of demand planning.					
Sub-Objective 2.1 – Improve contracting and Sub-Objective 2.2 – Improve contract management					
Key Performance Indicator 7: Percentage of ARVs units delivered by suppliers within contractual lead time.	FY19	79%	90%	64%	71%
Key Performance Indicator 8: Percentage of Master Procurement Catalogue medicine units excluding ARVs delivered by suppliers within contractual lead time.	FY19	75%	80%	73%	91%
Key Performance Indicator 9: Percentage of forecast accuracy on tenders.	FY19	N/A	62%	53%	85%
Key Performance Indicator 10: Percentage of assisted provinces demonstrating improvements in perfect order fulfilment on suppliers.	FY19	0%	78%	88%	113%

Key Performance Indicator 11: Percentage of assisted provinces demonstrating improvement in order fulfilment cycle time on suppliers.	FY19	0%	78%	50%	64%
Key Performance Indicator 12: Percentage availability of Master Procurement Catalogue items at health establishments.	PHC FY19	78%	93%	87%	94%
	Hospital FY19	78%	93%	84%	90%
Sub-Objective 2.3 – Design supply chain operating model and Sub-Objective 2.4 – Maintain and improve supply chain operations					
Key Performance Indicator 14: Percentage of identified Master Procurement Catalogue medicines delivered to the designated hospitals via direct delivery.	FY19	N/A	70%	45%	64%
Objective 3 – Strengthen governance					
Desired Outcome - Increase number of decisions made based on good governance principles embodied in policies, implementation plans and standard operation procedures.					
Sub-Objective 3.1 – Contribute to development of policy and legislation					
Sub-Objective 3.2 – Support the implementation of governance					
Sub-Objective 3.3 – Coordination and oversight of stakeholder engagement and communication activities					
No KPIs scheduled to be reported annually.					
Objective 4 – Improve workforce management					
Desired Outcome - An improved culture aligned with proactive patient centric decision making and enhanced leadership management and technical skills.					
Sub-Objective 4.1 – Support the development of standardised structures, roles and competencies & performance management					
Sub-Objective 4.2 – Assist to institutionalise change management					
Sub-Objective 4.3 – Contribute to up-skilling and mentoring of AMD staff					
No KPIs scheduled to be reported annually.					
Objective 5 – Strengthen Information Systems and Information Management					
Desired Outcome - Information systems that support the visibility and analytics network operating model, to improve evidence-based decision-making leading to improved medicine availability and continuous improvement.					
Sub-Objective 5.1 – Design IT System Landscape					
Sub-Objective 5.2 – Provide Support to Strengthen Analytics and Oversight					
Key Performance Indicator 17: Percentage of APP target facilities reporting stock availability to National Surveillance Centre dashboard.	FY19	100%	100%	103%	103%

Key Performance Indicator 18: Percentage of Data Quality Assessments that receives a passing score.	FY19	N/A	80%	None Performed	91%
Sub-Objective 5.3 – Support the implementation of data governance and Sub-Objective 5.4- Assist with development and implementation of IT systems					
Key Performance Indicator 19: Percentage of assisted facilities where gCommerce is utilised.	FY19	0%	20%	10%	50%
Objective 6 – Improve Financial Management					
Desired Outcome - Prudent financial management processes that underpin and support improved medicine availability.					
Sub-Objective 6.1 – Improve forecasting and budget information					
Sub-Objective 6.2 - Assist to strengthen accounting processes					
Sub-Objective 6.3- Assist to improve financial monitoring and reporting					
Key Performance Indicator 20: Percentage of payment packs submitted on time. ¹	FY19	N/A	N/A	N/A	N/A

¹ There is no performance data to report at this time as GHSC does not have access to data sources to inform KPI 20. Originally, the programme sought to use the current systems MEDSAS/PDSX to inform this indicator, however, these systems do not provide the necessary data to track the submission of payment packs.