# THE COST OF ESTABLISHING AN IN-HOUSE ACUTE AND CHRONIC HEMODIALYSIS SERVICES AT ROB FERREIRA HOSPITAL

**Compiled by Lindokuhle Mnisi using data from 2016/17 - 2017/18**

## STUDY CONTEXT

Will the implementation this service in-house result in cost saving while matching or exceeding the outputs of the current outsourcing solution in Mpumalanga Province?

## BACKGROUND

EXPENDITURE IN 2015/16 **R5,693,689**

**WITH YoY GROWTH RATE OF**

| 16% | 41% | 27% |
|---|---|---|
| 2016/17 | 2017/18 | CAGR |

**which is high compared to a budget that grows at CPI**

**Total expenditure for the 3 YEARS WAS**

**R21,527,263**

**At the end of the mid-term period of 2020/21 yearly expenditure is estimated to be**

**R25,678,378**

## CONTRIBUTING FACTORS TO DEMAND THAT LEAD TO INCREASED EXPENDITURE

**HIGH NUMBER OF PATIENTS AT LATE STAGE RENAL FAILURE**

**23%** OF PERITONEAL DIALYSIS PATIENTS HAVE TO SWITCH TO HEMODIALYSIS AFTER THREE TO FIVE YEARS OF TREATMENT

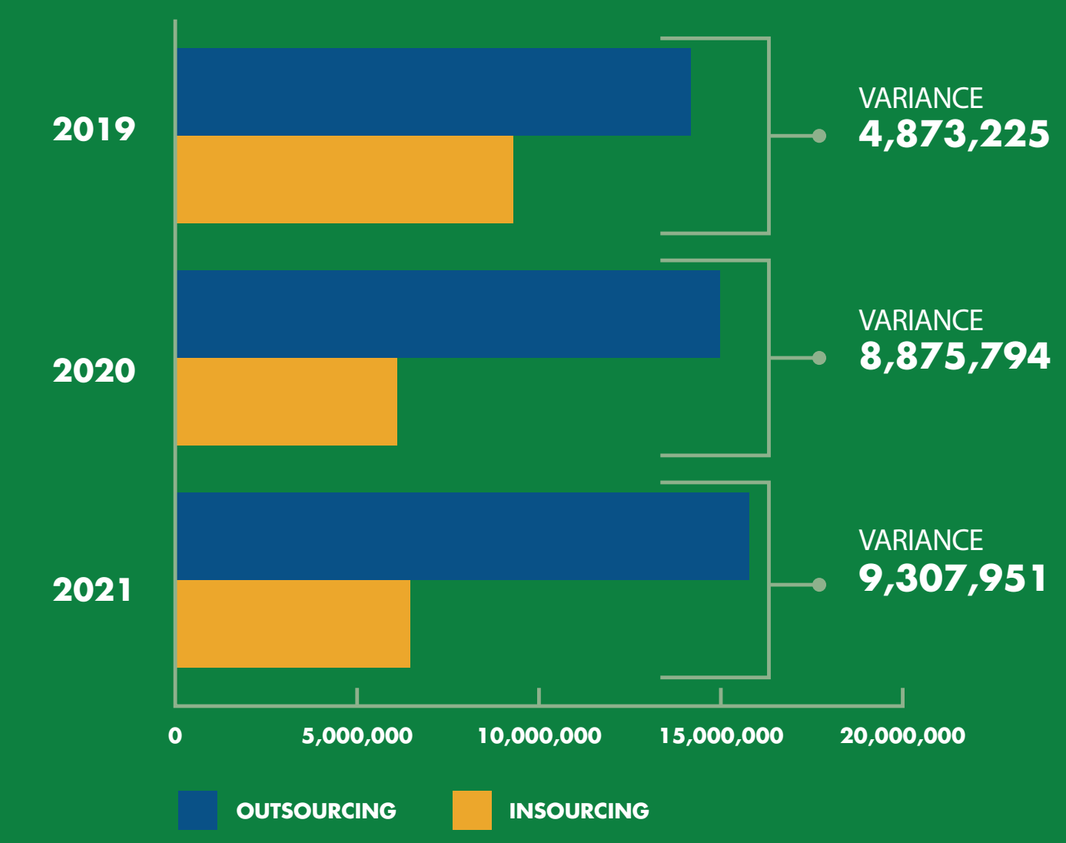
MAJORITY OF PATIENTS WITH FAILING **RENAL TRANSPLANTS** ARE USUALLY MANAGED BY **HEMODIALYSIS**

All inpatient are incorrectly classified as acute even when chronic.

THE ACUTE RATE IS **R3,500** WHILST THE CHRONIC RATE IS **R1,700**

Patients fall back on this treatment due to **3 to 6 months** waiting period for a nephrology related surgery/appointment at **Steve Biko Hospital**

## CONCLUSION




The costing model evaluated that a significant cost saving of **R25,056,970** over **3 years** will be experienced through investing in a renal treatment unit in **Rob Ferreira Hospital.**

## RECOMMENDATIONS

Savings and efficiencies can be achieved by

- Managing the programme in isolation from other services in the same category
- It is crucial to appoint a nephrologist linked to a transplant centre

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**www.gtac.gov.za**
email: info@gtac.gov.za