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## Dear Private Healthcare Provider

The National Department of Health has procured COVID-19 vaccines from two suppliers, Pfizer and Johnson & Johnson. A total of 51 million doses have been secured from both manufacturers for the South African vaccine rollout programme. These vaccines are being stored and delivered to health facilities by two distributors Biovac and DSV. Private health establishments with vaccine sites must establish an account with distributors for the procurement of the vaccines. The National Department of Health is not a VAT vendor; hence no VAT will be levied on the vaccines.

The price of the Pfizer vaccine from the distributor will be R308,48 per dose. There are 6 doses of the vaccine in a vial; hence the cost per vial is R1850,88. The Pfizer vaccine is a two-dose vaccine to be administered 21 days apart and can be stored at between -80°C and -60°C for the entire expiry date or at -15°C to -25°C for 14 days or 2°C to 8°C for 5 days

The price of the Johnson & Johnson (J&J) vaccine from the distributor will be R286,96 per dose. There are 5 doses of the vaccine in a vial; hence the cost per vial is R1434,80. The J&J vaccine is a single dose vaccine and can be stored at -15°C to -20°C for the entire expiry date or 2°C to 8°C for 3 months.

Private sector institutions wishing to procure the vaccine, will be required to open new accounts with the distributors and agree to the trading terms and conditions and credit mandate of the National Department of Health. Distributors will act on the Credit Mandate of the NDoH

The vaccine orders will have to be placed with the National Department of Health where quantities of doses will be approved based on the number of vaccines allocated to a site by the EVDS. Once the order is approved the vaccines will be delivered to the health establishment. The health establishment has 90 days to settle the account. The extended period of terms is intended to assist the facility to manage cash flow.

The EVDS will schedule medical scheme members and where required also schedule uninsured vaccinees. The health establishment has the responsibility to capture the relevant medical scheme information and bill the medical scheme using their billing system as EVDS does not have a billing functionality. The facility will bill the medical scheme R308,48 per dose for the Pfizer vaccine plus VAT, a total of R354.75 per dose. In the case of Johnson & Johnson, the medical scheme will be billed R286.96 plus VAT, a total of R330.00 per dose.

The cost of administering the vaccine for a health facility registered to vaccinate shall be R70 per vaccination and cover for vaccine waste, including the confirmation of details on the EVDS, preparation of the vaccine, vaccination, counselling, and 15 minutes waiting period in the facility following vaccination. There shall be no additional fee levied for the vaccination. For insured vaccinees, the cost of administration will be paid in full by medical schemes since this is a prescribed minimum benefit.

In the case of uninsured vaccinees referred to a private health establishment via the EVDS, the billing will be to the National Department of Health. The billing in the case of the National Department will relate to the cost of the vaccine dose and the cost of vaccine administration. The National Department of Health will (after verification on EVDS) issue a credit authorisation with the distributor for the cost of the vaccine dose and the cost of the vaccine administration.

**DR SSS BUTHELEZI** 

**DIRECTOR-GENERAL: HEALTH** 

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