

MIDCENTRAL DISTRICT HEALTH BOARD

4-1

Minutes of the MidCentral District Health Board meeting held on 16 December 2014 at 10.00am at MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street, Palmerston North

Unconfirmed Minutes

PRESENT

Phil Sunderland (Chair)
Diane Anderson
Adrian Broad
Lindsay Burnell
Barbara Cameron
Ann Chapman

Kate Joblin
Nadarajah Manoharan
Karen Naylor
Richard Orzecki
Barbara Robson

IN ATTENDANCE

Murray Georgel, Chief Executive Officer
Mike Grant, Interim General Manager, MidCentral Health/Corporate Services
Craig Johnston, Interim General Manager, Funding & Planning
Jill Matthews, Principal Administration Officer
Jeff Small, Group Manager, Commercial Support Services
Lyn Horgan, Operations Director, Hospital Services
Nicholas Glubb, Operations Director, Specialist Community & Regional Services
Muriel Hancock, Director, Patient Safety & Clinical Effectiveness
Brian Woolley, Manager, Knowledge & Information Management
Michele Coghlan, Director of Nursing
Greig Russell, Medical Officer
Dennis Geddis, Communications Officer
Stephanie Turner, Director, Maori Health & Disability

Public (0)
Media (1)

1. APOLOGIES

There were no apologies.

2. LATE ITEMS

There were no late items.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendments to the Register of Interests

Richard Orzecki advised he had been re-appointed as Chair, Manawhenua Hauora for a three-year term. He advised that Danielle Harris had been re-elected as Deputy Chair.

3.2 Declaration of Conflicts in Relation to Today's Business

The following conflicts were declared:

- Barbara Robson: anything to do with the clinical maternity information system
- Murray Georgel: Health Benefits Limited (HBL) and Central Region's Technical Advisory Service (TAS) matters. In his capacity as MDHB's CEO, Mr Georgel was a member of both HBL's Board and TAS' Board. There were matters pertaining to these entities in the agenda as follows:

- HBL – 7.1, 7.2, 8.1, 15.1 and 16.1
- TAS – 7.2 and 8.1

He did not believe these precluded him from discussion as he had no voting rights at the MDHB board meeting.

- Richard Orzecki: reference Manawhenua Hauora in the CEO's report (item 6.5) and the Manawhenua Hauora minutes (item 9.2).

4. MINUTES OF PREVIOUS MEETING

4.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 4 November 2014 be confirmed as a true and correct record.

4.2 Matters Arising from the Minutes

4.2.1 HBL

The status of the proposed Memorandum of Understanding between DHBs and HBL was raised. The CEO advised this initiative had preceded the Minister of Health's announcement regarding the future of HBL. MidCentral DHB and others had endorsed the MoU but this had now been superseded by events. The CEO speculated that some of the principles used in the MoU could evolve into the relationship arrangement with the new entity.

5. BOARD COMMITTEES

5.1 Funding Audit Sub-Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Funding Audit Sub-Committee held on 4 November 2014 be received and the recommendations contained therein approved.

5.2 Matters Arising

There were no matters arising from the minutes.

5.3 Hospital Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 25 November 2014 be received and the recommendations contained therein approved.

5.4 Matters Arising

5.4.1 Mental Health Review

A member drew the meeting's attention to the Coroner's findings regarding a Counties-Manukau DHB mental health case where he had stressed that the service must listen to the families.

5.5 Community & Public Health Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Community & Public Health Advisory Committee held on 25 November 2014 be received and the recommendations contained therein approved.

5.6 Matters Arising

There were no matters arising from the minutes.

5.7 Enable New Zealand Governance Group

It was resolved:

that the unconfirmed minutes of the meeting of the Enable New Zealand Governance Group held on 25 November 2014 be received and the recommendations contained therein approved.

5.8 Matters Arising

5.8.1 Prioritisation Tool

Further information was sought regarding the Ministry of Health's prioritisation tool and how it worked, and the resultant increase and overspend for Band One equipment. Details of what equipment fell within "Band One" was also sought.

The CEO advised that with the introduction of the new prioritisation tool it was expected there would be a catch-up/wave of applications which would not be replicated. Further information would be provided via the Enable New Zealand Governance Group in the new year.

6. WORK PROGRAMME

The CEO advised that the mental health workshop was being re-scheduled and was likely to occur on 3 February following the Hospital Advisory Committee meeting.

It was resolved:

that the updated 2014/15 work programme be noted.

7. STRATEGIC MATTERS

7.1 2015/16 Annual Plan Development Update

Recent publicity regarding 2015/16 funding for DHBs was raised and members questioned what this could mean for MidCentral DHB. The Chair advised that a teleconference for all DHB Chairs had been arranged by the Ministry of Health for 16 December 2014.

Management advised that the increase for the DHB sector in 2014/15 was \$250m.

Management confirmed that implementation of the patient portal was included within the draft Annual Plan for 2015/16, and that the Executive Leadership Team had recently received a presentation on its development.

It was resolved:

that the report be received.

7.2 2014/15 Annual Plan: Update re implementation of "Living within our Means" Initiatives

The Interim General Manager, MidCentral Health & Corporate Support advised the Master Health Service Planning was not been progressed at this stage, other than the ambulatory care project, while MDHB awaited the National Capital Investment Committee's (NCIC) decision regarding the Indicative Business Case. He further advised that they were in the beginning phases of putting together a team to lead this project, however until the NCIC's decision was known, it was premature to bring anyone on board.

The initiative around reducing the level of follow-up specialist appointments was raised. Management advised many DHBs were looking into this area. MidCentral DHB was looking to see whether it could appropriately refer people to general practice teams, long condition nurses, or other clinicians in primary care for follow-up care.

It was noted that further phases of the Maternity Clinical Information System had yet to be implemented. Management advised the DHB was actively working the lead maternity carers in this regard.

It was resolved that:

that this report be received.

8. OPERATIONAL REPORTS

8.1 CEO's Report

8.1.1 National Direction

The CEO advised that at this early stage no further details were available regarding the update of the New Zealand Health Strategy. DHBs had raised the need, during the Minister's visit, for a current over-arching strategy for the sector and this development was welcomed.

8.1.2 Health Benefits Limited (HBL)

The CEO confirmed there would need to be a transfer of resources from HBL to the new entity(s). A working group was being set up by the Ministry of Health and this was to report back to Cabinet by the end of March. Membership on the working group was a majority of DHB staff and governors. hA (FPSC) Limited was a potential vehicle which could be used, as was the Central Region's Technical Advisory Service.

The issue of local or national arrangements for collaborative ventures was raised. The general view of the meeting was it was likely to be a mix of arrangements, and these would be agreed on a case by case basis.

8.1.3 centralAlliance

The CEO advised that an update on the strategic plan process had been provided to members by email, and a copy of the presentation referred to in that communication would be distributed.

Management advised that the stakeholder interviews in the MidCentral district were underway. Some had been completed and others were planned.

8.1.4 Regional Clinical Services Plan

Recent media around the 3DHB initiative involving Capital & Coast, Hutt Valley and Wairarapa DHBs was noted, particularly that implementation may be slowed down. The potential impact of this on the Regional Clinical Services Plan refresh was questioned.

The CEO advised he could only speculate, however the Regional Clinical Services Plan was looking at access for the region's population and how DHBs could cater for the population's needs. This work was in the early phases and so it was a case of "watch this space".

8.1.5 Regional Network

The Manager, Knowledge & Information advised the regional network initiative related to the network between each DHB and the regional infrastructure which was currently located in Wellington. The project would ensure there was enough network capability to handle regional systems, such as the Patient Administration System, the radiology information system, PACS archive and the clinical portal which were all delivered from Wellington.

8.1.6 Visit of Minister of Health

The Minister of Health's views regarding MDHB's master health service plan project was sought, and the Chair advised that the Minister had been shown the critical areas of the hospital and had a discussion about the proposal. The Minister understood the rationale for the proposal and was generally positive.

8.1.7 Manawhenua Hauora

It was noted that Manawhenua Hauora had met on 15 December. The CEO had attended and had discussed the stability in the priorities for Maori health which the DHB and Manawhenua Hauora were seeking at both a local and regional level. The development work underway regarding Iwi health plans was exciting and boded well for the future.

The Maori Alliance Leadership Team was raised and members questioned how this would operate. Management advised that it was early stages and the concept would be further progressed in 2015. It was suggested the Maori ALT should provide advice to the highest level of management, as Manwhenua Hauora did at governance level.

8.1.8 Minister for Disability Issues

The invitation to the Minister for Disability Issues was noted and it was suggested this be re-issued at a future date.

8.1.9 National Maternity Clinical Information System

A member questioned the risk exposure for MidCentral DHB in having progressed this system while the Ministry of Health had still to finalise the contract agreement. For example, if the system failed, who would be cover the cost of remediation. The Interim General Manager, MidCentral Health & Corporate Services advised it had entered the arrangement fully aware of the risks and were managing these as best as possible. MDHB was working toward having a support arrangement in place. Also, following discussions at the Group Audit Committee meeting management would be writing to the National Health IT Board urging the completion of the national agreement with the vendor with urgency.

The reason for the delay in finalising the national agreement was questioned and management stated it believed it was around access to good consistent legal advice at a national level to complete the process.

The use of Wi-Fi devices was raised and a member questioned whether anyone had raised the issue of exposure for pregnant women, citing the case of schools where Wi-Fi was considered dangerous to children. Management advised this matter had not been raised.

8.9.10 Financial Situation

The CEO advised the November consolidated result was \$0.1m adverse to budget. MidCentral Health had shown strong performance, ending the month \$0.6m better than budget. This was reflected as a negative within the Funding Division which had to pay the funds across to the provider. Enable New Zealand had experienced redundancy costs during the month which amounted to the organisation's adverse various for November.

Overall, the variance was very good given the DHB's turnover of \$250m. Management was confident of achieving the year end budget.

MDHB's cash position had changed considerably over recent months. This was a timing issue and related to the payment of inter-district flows wash-ups from the 2013/14 financial years and five pay cycles falling within the month. At the end of November the cash has reverted back to usual levels.

The Funding Division's financial position was raised and management advised it expected to achieve budget, largely as a result of further savings in pharmacy and age residential care payments.

The capital expenditure spend was discussed and management advised that any unspent funds would carry over to the next year.

It was resolved:

that the report be received.

9. GOVERNANCE ISSUES

9.1 CEO Recruitment

The Chairman advised that the process was well underway and the recruitment panel would hold its first meeting on 22 January.

It was resolved:

that the report be received.

9.2 Manawhenua Hauora

Richard Orzecki advised Manawhenua Hauora had met on 15 December. It has viewed a video of Sir Mason Durie's speech at Parliament for the launch of Te Korowai Oranga – the Maori Health Strategy earlier this year.

He further advised that Manawhenua Hauora had presented a gift to MDHB's outgoing CEO in recognition of his contribution.

Mr Orzecki advised that good progress was occurring in respect of Iwi health plans.

The level of contribution for Manawhenua Hauora members to attend the Tu Kaha conference was questioned. Mr Orzecki advised registration fees and accommodation expenses had been met for four members. Unfortunately, two had had to pull out at late notice.

The development of a cultural model by Central PHO to be aligned throughout the region to ensure consistency, as noted in the minutes was raised. It was suggested that Highbury and Takaro could be combined together, and that another challenging area within the city was Roslyn.

It was noted that Mary Sanson had resigned from Manawhenua Hauora after a long membership. The Iwi collective was supporting appropriate recognition for her and also Rocky Hudson. It was noted that Rocky Hudson had been recognised at a recent MDHB Health Award. The Palmerston North Civic Centre Awards were suggested.

It was resolved:

that the minutes be received.

9.3 Capital Expenditure Policy Review

It was agreed that reference within the Policy (section 4) to MDHB's Strategic Plan be removed.

Management confirmed that there was provision in the policy for capital costs to be converted to lease (operating) costs where appropriate. However, the funds could not be spent twice.

It was noted that the requirement for management to report amendments to the Capex Programme resided in the Delegations Policy.

It was resolved:

that the Capital Expenditure Policy changes be approved, subject to removal to the reference of MDHB's Strategic Plan.

10. LATE ITEMS

There were no late items.

11. DATE OF NEXT MEETING

Tuesday, 24 February 2014, MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street, Palmerston North.

12. EXCLUSION OF THE PUBLIC

It was resolved:

that the public be excluded from this meeting in accordance with the Official Information Act 1992, section 9 for the following items for the reasons stated:

<i>Item</i>	<i>Reason</i>	<i>Ref</i>
"In Committee" Minutes of the Previous Meeting	For reasons stated in the previous agenda	
"In Committee" Minutes of Committee Meetings: <ul style="list-style-type: none"> • Hospital Advisory Committee, 25 November 2014 • Community & Public Health Advisory Committee, 25 November 2014 • Enable New Zealand Governance Group, 25 November 2014: position paper re local initiative, and contracts update 	For the reasons set out in the Committees' order paper 25.11.14 meeting held with the public present For the reasons set out in the Committees' order paper 25.11.14 meeting held with the public present Negotiating strategy, and, subject of negotiation	9(2)(j)
Strategic Matters <ul style="list-style-type: none"> • HBL business case re food services 	Subject of negotiation	9(2)(j)
Operational Matters <ul style="list-style-type: none"> • CEO's Report: 2014/15 Annual Plan negotiations, and, HBL Laundry/Linen Services Business Case 	Subject of negotiation	9(g)(i)
Governance Matters <ul style="list-style-type: none"> • Treasury update 	Contains commercially sensitive information	9(2)(j)
<ul style="list-style-type: none"> • Appointment of External Auditors 	Subject of negotiation	9(2)(j)

Confirmed this 24th day of February 2015.

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Chairman