

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 24 February 2015 at 10.00am
at MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street,
Palmerston North

PRESENT

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

Kate Joblin
Nadarajah Manoharan
Karen Naylor
Richard Orzecki
Barbara Robson

Unconfirmed Minutes

IN ATTENDANCE

Murray Georgel, Chief Executive Officer
Mike Grant, Interim General Manager, MidCentral Health/Corporate Services
Craig Johnston, Acting 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
Dennis Geddis, Communications Officer
Scott Ambridge, General Manager, Enable New Zealand
David Andrews, Operations Manager, Enable New Zealand
Stephanie Turner, Director, Maori Health & Disability
Chris Channing, Finance Manager (part meeting)

Public (3)
Media (1)

1. APOLOGIES

An apology for lateness was received from Lindsay Burnell, Board Member.

2. LATE ITEMS

There were no late items.

3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE

3.1 Amendments to the Register of Interests

Barbara Robson advised a short (two meeting) interest, being a member (consumer representative) of the Royal NZ College of GPs' working group for the review of the aiming for excellence standard.

Murray Georgel advised his board membership of Health Benefits Limited and the Central Region's Technical Advisory Services Limited has ceased.

3.2 Declaration of Conflicts in Relation to Today's Business

The following conflicts were declared:

- Ann Chapman: CEO's report, item 8.1; there was mention of Spark
- Barbara Cameron: her interest as a Councillor, Manawatu District Council in the Feilding Integrated Family Health Centre
- Barbara Robson, consumer representative on the maternity clinical information system's working group

The Chair advised these interests had been declared and considered previously, and presented no issue. The members concerned could participate freely in any discussion.

4. MINUTES OF PREVIOUS MEETING

4.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 16 December 2014 be confirmed as a true and correct record.

4.2 Matters Arising from the Minutes

There were no matters arising from the minutes.

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 16 December 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

Barbara Robson, Committee Chair advised there was some repetition in the unconfirmed minutes and this would be resolved. She confirmed that the content was correct.

It was resolved:

that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 3 February 2015 be received and the recommendations contained therein approved.

5.4 Matters Arising

There were no matters arising from the minutes.

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 3 February 2015 be received and the recommendations contained therein approved.

5.6 Matters Arising

5.6.1 Mental Health Phone Line

A member advised she asked further questions of management regarding this matter.

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 3 February 2015 be received and the recommendations contained therein approved.

5.8 Matters Arising

There were no matters arising from the minutes.

6. WORK PROGRAMME

The CEO advised that consideration was being given to a workshop on 17 March. This would be held between the meetings of the Hospital Advisory and the Community & Public Health Advisory Committees. The subject would be a presentation from, and discussion with, the Health Quality & Safety Commission.

The Minister of Health’s requirement that a value for money workshop be held as part of the development of a detailed business case for the Master Health Service Plan was noted. Management advised that these workshops were a standard part of projects such as this and would occur at several levels.

It was resolved:

that the updated 2014/15 work programme be noted.

7. STRATEGIC MATTERS

7.1 Master Health Service Plan: Detailed Business Case Update

The approach to the development of a detailed business case was discussed and it was agreed and/or confirmed that:

- membership of the Steering Committee be expanded to include a Maori perspective
- expressions of interest would be sought for membership of the Consumer Advisory Group, and previous members could continue
- the project structure, including a Steering Committee, programme office, programme management support, programme director, etc would ensure a comprehensive range of skills were available to the project, including accounting, commercial and contracts.
- an external agency would be contracted to provide support similar to the role Sapere had played in the development of the indicative business case

The Minister of Health's requirement that the assumptions be re-tested was questioned. Management advised all assumptions contained in the indicative business case would be retested, including demand modelling. This was part of the detailed business case development process and ensured the resultant business case was robust. The value for management workshops would also challenge assumptions and these were run by independent people. The process would be transparent to the Board.

Management further advised that the re-testing of assumptions ensured changes, improvements and enhancements which had occurred since the Indicative Business Case were taken into account, eg length of stay for medical services had reduced by 1.5 days.

It was suggested that the expertise and knowledge of CEOs within the Central Region be used, and that they be part of a workshop/forum. Management advised this proposition would be accommodated within the programme the work.

Information systems requirements and costs, as identified by the National Health IT Board, were discussed in respect of the project. Mike Grant advised some major infrastructure projects would be completed ahead of the master health service plan project, such as wireless network, voice over internet protocols. Other matters such as closed circuit TVs would be addressed as part of business as usual activities. The building cost allocation per square metre included the latest technology for the particular areas being developed.

The use of Master Class trips was discussed. Management confirmed that both national and international services, initiatives and service models were visited as part of the scoping process. A group of clinicians from MDHB had recently visited Hutt Valley and Capital & Coast DHBs, and trips to Waikato, North Shore and other areas would be worthwhile.

Any plans for the Master Class programme would follow the same course as previous years, being reported via the appropriate statutory committee, with details of the purpose, expected outcomes, overall costs, and the impact for MDHB. The current update regarding the Master Health Service Plan provided the Board an early signal of the Master Class programme intentions.

It was resolved:

that the report be received.

8. OPERATIONAL REPORTS

8.1 CEO's Report

8.1.1 Sector Strategy

The review of the NZ Health Strategy was discussed. The following points and/or questions were raised for consideration at the forthcoming national DHB Chairs and CEO forum:

- wider consultation with the sector and community was required; how would this be satisfied?
- A strengthened mental health perspective was required within the strategy (as opposed to be a separate strategy)
- how do DHBs work with others outside their jurisdiction, such as social services (and vice versa)

It was noted that the health strategy review was at the early stages.

Chris Channing entered the meeting.

8.1.2 Wireless Environment

The use of work or personal cellphones in the workplace was raised. Management confirmed that policies and protocols were required in this regard, eg the use of personal devices. There were a lot of learnings around this in the sector and information which was available. It was noted that the taking of photographs in the work place was covered by other policies.

8.1.3 National Health Committee

The CEO advised that the National Health Committee would be visiting MDHB on Wednesday, 25 February at 12noon. Board members were invited to participate in the visit.

8.1.4 Feilding Integrated Family Health Centre

Management confirmed that the signing ceremony would take place on Thursday, 26th February at 12.30pm at Clevely Centre.

8.1.5 Health Benefits Limited

HBL's role in the co-ordinating the sweep arrangements under the national treasury programme was noted. Management advised that future responsibility for this role would be determined through the transition process currently underway.

8.1.6 Minister's Letter of Expectations

The Minister of Health's letter of expectations was noted.

8.1.7 Performance Intervention Framework

The discussion paper regarding the PIF was discussed. The concept of consumer budget holding/risk sharing was raised in the paper. The CEO advised that co-payments existed within the public sector, however more information would be available following sector discussions.

8.1.8 Financial Position

The DHB's financial position was noted. The CEO advised management was confident the year end budget would be achieved. Some timing differences had contributed to the January result, such as MidCentral Health providing services ahead of schedule, and an over accrual for pharmaceutical expenditure.

8.1.9 Annual Plan

The delays in receiving Ministerial endorsement of MDHB's 2014/15 annual plan was raised. Management reported the Ministry had advised the delays were not a reflection of the quality of the DHB's plans. It was understood a number of DHBs plans has been delayed, and that several had been endorsed at the same time as MDHBs.

The CEO advised that the annual plan was a valuable document for the organisation as it set out its strategy and initiatives.

8.1.10 Integration of Primary and Secondary Care Services

A member questioned whether appropriate access to diagnostic services, such as MRI and CT, was being given to primary care clinicians. Management advised that MDHB had made available a range of radiology services to GPs. Access to CTs was more constrained and was linked to specific conditions, such as headaches and trans ischaemic attacks (TIAs). Further access was occurring and this was linked to the clinical care pathways.

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It was agreed that this matter was best considered by the Community & Public Health Advisory Committee and that management would provide a report for its next meeting. This would provide a stocktake of current arrangements and what was planned for the future.

It was resolved:

that the report be received.

8.2 Contracts Update

It was resolved:

that the report be received.

9. GOVERNANCE ISSUES

9.1 Communication Policy

It was agreed that a definition of "health literacy" be included in the policy.

It was resolved:

that the Communication Policy be amended in line with the changes proposed in management's report dated 9 February 2015, and that it be review in 36 months.

9.2 Manawhenua Hauora

An error in the minutes of 15 December 2014 was identified. As part of the CEO recruitment process, CPHAC had not met with Richard Stone.

Richard Orzecki reported on the discussion Manawhenua Hauora had had with the Acting General Manager, Funding & Planning. It had been suggested that four pou as contained within He Korowai Oranga could form the basis of the Maori Health Plan.

Mr Orzecki drew members' attention to the launch of the Central PHO's Maori Wellbeing Document. It was agreed this document be provided to all members.

The issue of Whanau Ora discussed in the minutes was raised. Management advised that a standard DHB service was Whanau Ora and this had been in place for over 10 years. Separate to this was funding for the Te Puni Kokiri national Whanau Ora programme. The two were quite separate and distinct, and the DHB whanau ora could not be withdrawn when Whanau Ora alliances/collectives were established.

It was noted that the new funding arrangements for the national Whanau Ora programme were not clear at this stage.

It was resolved:

that the minutes be received.

9.3 CEO Recruitment

It was resolved:

that the report be received.

9.4 Treasury – Debt Roll-Over

Management advised that the Board had several options regarding the rollover of these loan funds. They could roll them over for a short period (90 days) or a maximum of 10 years. MDHB’s treasury policy required that loans be spread, with no more than 30% of loan funding falling due at any one time. The \$12.6m in question equated to 22% of total loan funds.

Lindsay Burnell entered the meeting.

It was agreed that the debt be rolled over as it would be required to fund the master health service plan programme of work. It was further agreed that the risk in terms of interest rates be spread, so that this occurred over two years rather than one. Management advised that the interest rates for nine and ten years was similar.

It was resolved:

that the loans of \$12.6m be rolled over; \$6.3m to April 2024, \$6.3m to April 2025 at the indicative rate of 3.31 and that the Chief Executive Office is authorised to sign all associated documentation.

10. LATE ITEMS

There were no late items.

11. DATE OF NEXT MEETING

Tuesday, 7 April 2015, MidCentral District Health Board Offices, Board Room, Gate 2, Heretaunga Street, Palmerston North.

12. EXCLUSION OF THE PUBLIC

It was resolved:

Recommendation: *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>
<i>“In Committee” Minutes of the Previous Meeting</i>	<i>For reasons stated in the previous agenda</i>	
<i>“In Committee” Minutes of Committee Meetings:</i>		
<ul style="list-style-type: none"> • <i>Hospital Advisory Committee, 3 February 2015</i> 	<i>For the reasons set out in the Committees' order paper 3.2.15 meeting held with the public present</i>	
<ul style="list-style-type: none"> • <i>Community & Public Health Advisory Committee, 3 February 2015</i> 	<i>For the reasons set out in the Committees' order paper 3.2.15 meeting held with the public present</i>	
<ul style="list-style-type: none"> • <i>Enable New Zealand Governance Group, 3 February 2015:</i> <ul style="list-style-type: none"> ○ <i>annual plan and budget 2015/16</i> 	<i>Subject of negotiation and contains commercially sensitive information</i>	<i>9(2)(j)</i>
<ul style="list-style-type: none"> ○ <i>service delivery model RFP</i> 	<i>Subject of competitive tender process and negotiation</i>	<i>9(2)(j)</i>
<ul style="list-style-type: none"> ○ <i>Business Case</i> 	<i>Commercial sensitive information and subject of tender process</i>	<i>9(2)(j)</i>
<ul style="list-style-type: none"> ○ <i>Contracts update</i> 	<i>Subject to negotiation</i>	<i>9(2)(j)</i>

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<i>Strategic Matters</i> <ul style="list-style-type: none">• <i>Annual planning 2015/16</i>• <i>Allied Laundry Shareholder Approvals</i>• <i>CEO Recruitment</i>	<i>Subject of negotiation</i> <i>Subject of negotiation and contains commercially sensitive information</i> <i>To protect personal privacy</i>	<i>9(2)(j)</i> <i>9(2)(j)</i> <i>9(a)(a)</i>
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Confirmed this 7th April 2015.

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Chairman