

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 27 February 2018 at 10.00am at MidCentral District Health Board, Boardroom, Gate 2, Heretaunga Street, Palmerston North

PRESENT

Dot McKinnon (Chair)	Brendan Duffy
Diane Anderson	Michael Feyen
Adrian Broad	Nadarajah Manoharan
Barbara Cameron	Karen Naylor
Ann Chapman	Barbara Robson

IN ATTENDANCE

Kathryn Cook, CEO
Keyur Anjaria, General Manager, People & Culture
Steve Miller, Chief Information Officer
Neil Wanden, General Manager, Finance & Corporate Services
Craig Johnston, General Manager, Strategy, Planning & Performance
Stephanie Turner, General Manager, Maori & Pacific
Celina Eves, Executive Director of Nursing & Midwifery
Lyn Horgan, Operations Director, Hospital Services
Cushla Lucas, Acting Service Director, Regional Cancer Treatment Services
Debbie Davies, Acting Service Director, Public, Primary & Community Services
Jill Matthews, Manager, Administration & Governance Services
Darryl Purdy, Manager, Analytics & Financial Advisory
Paula McCool, Communications Officer (part meeting)
Kelvin Teixeira, Communications Officer (part meeting)

Public: 0

Media: 1

Opening the meeting, a welcome was extended to the DHB's new Director of Nursing & Midwifery, Celina Eves.

1. ADMINISTRATIVE MATTERS

1.1 Apologies

An apology was received from Board Member Oriana Paewai.

1.2 Late Items

There were no late items.

1.3 Conflict and/or Register of Interests Update

The following amendments to the Register of Interest were advised:

- Barbara Cameron was now a board member of Sport Manawatu
- Adrian Broad had retired from Across Social Services.

1.4 Minutes of the Previous Meeting

It was resolved:

*that the minutes of the previous meeting be approved as a true and correct record.
(Moved Dot McKinnon; seconded Michael Feyen)*

1.5 Matters Arising

1.5.1 General Practice Charging Regimes

Members sought assurance work was being done at national or regional level regarding fees for non-contact and nursing consultations done by general practice teams. The General Manager, Strategy, Planning & Performance advised there was currently oversight of general practice fees for face-to-face consultations undertaken during working hours. Outside these hours, there was no regulation of charges.

It was agreed that with the expected increase in non-contact consultations, guidelines for these would be required. It was acknowledged that there were two issues, being affordability for consumers, and, financial sustainability for general practices.

The CEO advised that primary health care was a priority area for the Government and the issues raised by members may be worked through as part of the broader primary health care strategy. Management would keep members abreast of this work through the Healthy Communities Advisory Committee, including around fees.

1.5.2 Hospital Operations Centre

The Chief Information Officer advised that discussions had occurred with the Ministry of Health regarding the additional capital funding allocated to this project by MidCentral DHB. The Ministry had requested a variance to the regional business case be provided for their formal record. The Ministry had no issue regarding the additional allocation.

1.5.3 Integrated Services Model

Management advised that appointments to the leadership roles within the integrated service model were on track.

The appointee to the General Manager, Quality & Innovation role would take up the position on 5 March and that completed the stewardship portion of the leadership team.

Appointments were in process for the six Clinical Executive roles. Two Operational Executive roles had been filled, and appointments to the remaining four positions were expected to be made over the next three months.

It was expected that all positions would be recruited to by 30 June 2018.

1.5.4 Information Systems

The Chief Information Officer advised that no local issues had been experienced when Whanganui and Wairarapa DHBs on-boarded the regional WebPAS. The regional platforms were stabilising. Some challenges were being experienced in accessing the National Health Index system managed by the Ministry of Health.

The level of connectivity between hospital and primary care systems was discussed. The CIO advised that this was a new piece of work to be progressed over the next 12-18 months. There was some connectivity, with the hospital able to access the shared care records held in primary care. It was noted there were other systems, such as laboratory and pharmacy, in use by the district.

2. STRATEGIC & ANNUAL PLANNING

2.1 Annual Plan and Budgeting

Management advised that the Ministry of Health's planning guidance had not yet been received, and that the funding envelope was not expected until after the national budget had been released in May. Meantime, the annual plan and budget was being developed based on the assumptions approved by the Board and the planning timeline would be met, with reports to the Committees in March.

The population forecast figures were discussed and there was a consensus view that these understated the population growth within the district. Members noted that local Councils were also of this view. Concern was expressed that the move to an on-line system for the 2018 Census may have a negative impact on return rates. The General Manager, Strategy, Planning & Funding advised that a population increase of 1,500 equated to around \$3.5m - \$5m additional funding for MidCentral DHB.

The importance of Census data was noted and the Board requested that management undertake publicity, both internally and externally, to encourage people to complete the Census, explaining how this had a direct impact on the funding received for the community's health services. The General Manager, Maori & Pacific undertook to ensure this message was conveyed to the migrant and refugee community.

It was noted that a lot of sub division was occurring within the Manawatu and Palmerston North district and the majority of these had been pre-sold. This indicated an influx of new residents was likely. The growth in refugee numbers was also noted. The importance of ensuring all residents were enrolled with the Central PHO was agreed.

Management advised that the Census data provided the baseline for DHB funding. PHO enrolments and building consents were factors Statistics NZ took into account in their forecast information regarding population changes for the period between each Census. The methodology used by Statistics NZ in forecasting population changes between Censuses appeared to lag behind actual growth. This was reflected in the funding variations MidCentral DHB received.

The population projection data for the age groups 0-4 years and 5-9 years was discussed. Management advised that birth rates had been flat for four years, but had not declined.

It was noted that the new primary birthing centre in Palmerston North was expected to build up to as many as 500 births per year. This would, in time, affect staffing levels at Palmerston North Hospital's maternity unit.

It was resolved:

that the Board note this report.

2.2 Integrated Service Model Update

The General Manager, People & Culture presented this report and advised that the progress of workstreams had been slower over the months of January/February due to leave arrangements. There had been progress in the development of “freedom in a framework” guidelines. These would set out the accountability, autonomy and decision-making authority of each cluster. It was noted that the level of accountability, autonomy and decision-making would vary between clusters depending on their level of a maturity. The operating framework and model would set out the gateways and milestones which clusters must meet along the pathway to full maturity.

Management reiterated that appointments to all leadership roles were expected to be completed by 30 June 2018.

The support services noted in the report were: people and culture; IT; strategy, planning and performance; finance and corporate services as well as specialist services such as Pae Ora and professional advisors. A framework was to be provided to determine what decisions needed to be held by these enabling services, and what freedom there was for each cluster to make its own determinations in these areas. There would need to be a balance of consistency and risk mitigation at the centre with autonomy and decision-making at cluster level. The model would be provided to the Board in due course. Meantime there was a lot more discussion to be had.

An assurance was sought that each cluster would have the resources it required to function well, and the CEO confirmed that an enabling approach was being taken to ensure the success of each cluster.

It was resolved:

that this report be noted.

3 INTEGRATION & PARTNERSHIP

3.1 Consumer Story

The Board expressed its appreciation in receiving this consumer’s story and requested that this be conveyed to the woman concerned.

Learnings from the consumer’s experience were noted, particularly around “what to expect after discharge”. It was suggested that this matter applied to other cancer pathways and other services.

The importance of ensuring all communication and publicity focused on all age-ranges within the population group supported by the breast screening service, particularly the older age group, was noted.

The current cut-off age of 70 years was discussed and it was noted that the Government had indicated this was to be extended. The Acting Service Director, RCTS advised that planning work was underway within the National Screening Service regarding what this would involve. It was proposed that women over 69 years of age would be reinvited for screening. It was estimated that there would be a 17 percent increase nationally in activity if this policy change was made.

Members noted that at the current time, for non-symptomatic woman aged over 69 years, the only option for screening was a private mammography screening at a cost of around \$100.

Hawke's Bay DHB's memorandum of understanding with the Cancer Society was discussed. This enabled the Cancer Society to approach patients rather than waiting to be approached. The possibility of MidCentral DHB taking a similar approach was questioned. Management advised they were aware of this initiative. The Cancer Society has a base in MDHB's Regional Cancer Treatment Service that means free flowing access between the two organisations. The district also has a Supportive Care Network which met regularly and in which MDHB participated. The DHB could look to enhance these arrangements with a memorandum of understanding.

It was resolved:

that this paper and the ongoing service improvement resulting from this story be noted.

Kelvin Teixeira entered the meeting.

3.2 Manawhenua Hauora Minutes

3.2.1 Hauora Unleased

Management advised Hauora Unleased was an expo facilitated by Te Tihi o Ruahine Whanau Ora and the Central PHO, involving numerous health providers. It focused on engaging with the Maori community and had been very successful.

Paula McCool left the meeting.

An assurance was sought that the process used for redistributing koha received at the expo was robust. The General Manager, Maori and Pacific advised that strong process had been used and there was clear accountability for this. She undertook to provide further details.

The General Manager, Maori and Pacific advised that a draft koha policy had been developed for MidCentral DHB with protocols.

It was resolved:

that the minutes be noted.

4. PERFORMANCE REPORTING

4.1 CEO's Report for December 2017/January 2018

4.1.1 Health Select Committee

The Board noted that the Chairperson and CEO would be presenting to the Health Select Committee on 28 February 2018.

4.1.2 Strategic Property Plan

A member reported that following publicity regarding the DHB's Child Development Service, members of the public had expressed an interest in supporting the establishment of

a downtown location. Offers of financial support had also been made. The CEO advised that she would be pleased to receive any approaches of this nature.

The member also reported that the Central PHO was looking to relocate, and questioned how this fitted within the DHB's Strategic Property Plan, noting that many DHB services were based in the PHO's facilities. The CEO advised that the Central PHO's property issues were a matter for its Board and management and any inquiries regarding their relocation should be directed to the PHO. In terms of the DHB's child development services, the CEO advised MidCentral was very focused on partnering with the Ministries of Health and Education around the design of disability services for children and their families. Until this was worked through, any decision regarding accommodation would be premature. Mrs Cook noted that a co-design approach was being taken to this work and she expected the new cluster for this service group to be very involved.

The involvement of the Ministry for Children in this work was suggested.

The CEO noted that the cost of locating services off campus was generally a more expensive option.

4.1.3 Integrated Service Model

The General Manager, People & Culture advised that membership of the selection panel used in the recruitment of the Clinical Executives comprised the CEO, the General Manager Maori & Pacific, the Chief Medical Officer, the Executive Director Allied Health, the Central PHO's CEO and himself. Membership had been generally consistent with the exception of one or two occasions. The same interview questions had been used for all interviews.

A similar approach was being taken for the Operations Executives, but with the involvement of the relevant Clinical Directors.

4.1.4 NZ Health Partnerships Limited

Food Services: The CEO advised that this national service was still a work-in-progress.

Microsoft Licensing: Management advised this was part of an all-of-Government process and the DHB sector had ensured it was represented at Chief Information Officer (CIO) and potentially at Chief Financial Officer level. There would be a fiscal impact in 2018/19 as a result of Microsoft licensing changes. MidCentral DHB had had a fixed price arrangement in place for six years. Moving from this to a commercial contract was significant to both the DHB and the sector.

Mini Shareholders Meeting: Concern was expressed with the limited information provided by HPL, and that the planned mini shareholders meeting would not provide sufficient time for meaningful discussion. The CEO advised that this meeting was largely to deal with directorship changes.

National Oracle System: It was noted that the Deloitte review of this system was expected to be presented to Cabinet in late March. This may push out the timeframe for this project.

DHB Visits: The Chairperson advised that HPL's Chair and CEO were to meet with MidCentral's Board. Details would be advised in due course.

4.1.5 Government Inquiry into Mental Health and Addiction

Concern was expressed by a member that little progress had been reported with this inquiry to date. The CEO advised that the Inquiry's Chairperson had been invited to meet with the DHB Chairs and CEOs. An update from the Ministerial Advisory Group had also been arranged. Information received would be shared with the Board in due course.

4.1.6 Palmerston North City Council

The successful hui with the City Council was noted.

The development of the Te Aroha Noa community hub was discussed. A member noted the rapid progress being made with this initiative involving many agencies and emphasised the importance of ensuring that these organisations did not get too far ahead of where the DHB and City Council were at. The General Manager, Maori and Pacific advised she was engaged in this project

4.1.7 Ministerial Advisory Group

The terms of reference for this group were noted.

It was resolved:

that the CEO's report for December 2017/January 2018 be noted.

4.2 Finance Report for MidCentral DHB – January 2018

4.2.1 Financial Position

The DHB's financial position was discussed. The CEO advised that the current position was not desirable and that a full report would be provided to the next meeting of the Finance, Risk & Audit Committee. This would focus on the \$7m risk contained within the budget, what had eventuated and the mitigations in place and planned. The CEO and management team remained committed to delivering to budget.

The General Manager, Finance and Corporate Services advised work continued to claw back the current level of overspend. Hospital services were having difficulty delivering elective volumes which had risen year on year without any increase in capacity. Surgical services, particularly acute care, and mental health were experiencing cost pressures. The cost of specialising patients had been reduced and some focused work was occurring in this area. A number of initiatives were underway to enhance revenue and reduce costs as outlined in the report. The CEO advised that the Optimise project working on improving theatre productivity was going well and the benefits were starting to be seen. One initiative was clinical oversight of the booking of surgical lists to gain maximum use of each theatre session.

Mr Wanden advised an editing error in the report. The financial forecast graph set out on page 69 overstated the pessimistic view.

The use of other DHBs' surgical capacity was raised and the CEO advised the public were reluctant to travel out of the area. This approach had been tried with orthopaedic surgery in 2017 without success. It was noted that this was a long-standing issue.

The Chairperson advised that another ophthalmologist was to commence work in Whanganui DHB. There would likely be some spare capacity.

Members questioned the level of cataract surgery undertaken, advising that public feedback indicated long waiting lists for surgery with people being discouraged by opticians from being going on the hospital list. The Operations Director, Hospital Services advised this was likely to be about people who had not been accepted for surgery as they had not met the threshold for cataract surgery. A national scoring tool for surgery was used and people who did not meet the threshold were declined. Ophthalmologists were currently working with opticians regarding how they could better connect with optometrists in primary care and support them with the management of their patients. MidCentral DHB met the standardised intervention rate for cataracts.

The importance of ensuring all residents of the MidCentral district completed the 2018 Census was reiterated.

A member raised the concept of “the joy of work” as presented by a visiting Scottish specialist at a conference organised by MidCentral DHB. He had stated that the “joy of work” had made a huge difference to organisations and she questioned whether this philosophy could be used, particularly given staff were the DHB’s greatest asset.

The CEO noted that the move to an integrated service model was part of bringing joy to work. Other initiatives underway, such as Optimise and Medimorph were also proving successful in achieving staff buy-in and commitment.

It was resolved:

that the Finance Report for January 2018 be noted.

4.3 Workforce Update (Six-monthly)

The General Manager, People & Culture acknowledged questions raised by Board Member Karen Naylor regarding the reduction in annual leave greater than two years, particularly how much of this reduction had occurred through buy-out of leave. Previous reporting had not differentiated between leave paid out upon a person’s resignation, and leave paid out during their employment. He advised that a response would be provided in due course.

Board Member Diane Anderson advised she had a number of questions regarding this report, including a comparison of MDHB’s professional profile with similar sized DHBs, the growth in corporate numbers, turnover and sick leave, and the reduction in allied health numbers compared with similar size DHBs. It was agreed that these questions be submitted to management and the response shared with all members.

The difficulties experienced in recruiting to some positions was noted and management was asked if feedback from applicants, including those who had turned down positions at MidCentral DHB, was ever sought. The General Manager, People and Culture advised a project was currently underway to review the DHB’s recruitment process and as part of this a questionnaire would be sent to everyone who had applied for a position with the DHB. This would provide comprehensive information for the review. He confirmed that the review would also look at how many applicants were received, how many took up a role at MidCentral DHB, and who sought a job at another DHB or overseas. He also confirmed that exit interviews were still conducted, and undertook to reinstate reporting of key themes arising from these interviews in future workforce updates.

The CEO advised that in comparison to other DHBs, MidCentral had a low proportion of administration/corporate staff. It was also noted that MidCentral DHB differed from other DHBs due to the outsourcing of commercial support services and the role of Enable New

Zealand. It was further noted that 1:4 staff were in an administrative/corporate role. This included those working in clinical areas to support clinicians.

The General Manager, People and Culture advised that a staff survey would be undertaken in and around May 2018. Survey tools were currently being assessed. Issues of confidentiality, timeliness of results, and the ability to “slice and dice” the data received were being taken into account.

It was resolved:

that the February 2018 workforce update be noted; and,

that the change to the reporting timeline be noted.

4.4 Nursing and Allied Health Education and Development

It was resolved:

that the update on nursing and allied health education and development be noted.

4.5 NIHA Leadership Development Programme 2017

The CEO advised that she would arrange for more information to be provided to the Board at a future meeting regarding human centred design.

It was resolved:

that the report be noted.

5. POLICY & GOVERNANCE

5.1 NZ Health Partnerships – Annual Report & Annual General Meeting

Health Partnership Limited’s net assets/equity at balance date was noted, being \$6.18m of which the majority was represented by investment in intangible assets, most significantly the National Oracle Solution. Management advised that this was the purpose for which the capital had been subscribed.

It was resolved:

that the Board:

- *note the NZHP Annual Report for the year ended 30 June 2017;*
- *note that no resolutions requiring DHB authorisation other than normal AGM procedural matters are proposed;*
- *appoint the Chair or in her absence the Chief Executive to represent MidCentral DHB at the NZHP AGM. (Moved Brendan Duffy; seconded Barbara Cameron)*

4. PERFORMANCE REPORTING CONTINUED

4.6 Board’s Work Programme

It was resolved:

that progress against the 2017/18 work programme be noted.

6. COMMITTEE RECOMMENDED PAPERS

6.1 Health and Safety Governance

The General Manager, People and Culture confirmed that feedback received from the Finance, Risk & Audit Committee had been incorporated into the report.

It was agreed it would be interesting to learn how other DHB Boards were undertaking their health and safety governance responsibilities, and a request would be made for this to be placed on the programme for the upcoming regional symposium.

It was resolved:

that the proposed Health and Safety Governance recommended actions be approved in principle. (Moved Dot McKinnon; seconded Adrian Broad)

7 COMMITTEE MINUTES

7.1 Finance, Risk & Audit Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Finance, Risk & Audit Committee held on 30 January 2018 be noted

7.2 Quality & Excellence Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Quality & Excellence Advisory Committee held on 13 February 2018 be noted.

7.3 Healthy Communities Advisory Committee

Ann Chapman advised a correction to the minutes; she had been in attendance at the meeting.

It was resolved:

that the unconfirmed minutes of the meeting of the Healthy Communities Advisory Committee held on 13 February 2018 be noted.

8. LATE ITEMS

There were no late items.

9. DATE OF NEXT MEETING

10 April 2018, Boardroom MidCentral District Health Board, Gate 2 Heretaunga Street, Palmerston North

10. EXCLUSION OF 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>
<i>“In committee” minutes of the previous meeting</i>	<i>For the reasons set out in the order paper of 19.12.2017 meeting held with the public present</i>	
<i>“In committee” minutes of committee meetings:</i> <ul style="list-style-type: none"> • <i>Finance, Risk & Audit Committee - minutes of the previous meeting</i> • <i>Quality & Excellence Advisory Committee,</i> • <i>Healthy Communities Advisory Committee</i> 	<i>For the reasons set out in previous order paper</i> <i>For the reasons set out in the order paper of 13.2.18 meeting held with the public present</i> <i>For the reasons set out in the order paper of 13.2.18 meeting held with the public present</i>	
<i>Performance Reporting</i> <ul style="list-style-type: none"> • <i>CEO’s report – national food service contract</i> 	<i>Subject of contractual negotiations</i>	<i>9(2)(j)</i>
<i>Governance Matters</i> <ul style="list-style-type: none"> • <i>CEO & Board Only time</i> • <i>Board only time</i> <ul style="list-style-type: none"> ○ <i>Board minutes from previous meeting</i> ○ <i>Other</i> 	<i>For the reasons set out in the previous order paper</i> <i>No decision</i>	

(Moved Dot McKinnon; seconded Karen Naylor)

Confirmed this 10th day of April 2018.

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Chairperson