

## MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 19 May 2009 at 10.10 am at Feilding Civic Centre, Concert Chamber, Aorangi Street, Feilding

**PRESENT**

Ian Wilson (Chair)  
Diane Anderson  
Lindsay Burnell  
Graeme Campbell  
Ann Chapman

Dennis Emery  
Jim Jefferies  
Stephen Paewai  
Barbara Robson  
Ormond Stock

**IN ATTENDANCE**

Murray Georgel, Chief Executive Officer  
Stuart Wilson, General Manager, Corporate Services  
Lareen Cooper, General Manager, MidCentral Health  
Mike Grant, General Manager, Funding Division  
Heather Browning, General Manager, Enable New Zealand  
Jill Matthews, Principal Administration Officer  
Dennis Geddis, Communications Officer

Manawatu Primary Health Organisation:

- Colin McJannett, Chairman
- Nicky Hart, Manager

Public (0)  
Media (1)  
Staff (2)

**1. APOLOGIES**

An apology was received from Jack Drummond, Board Member.

Diane Anderson tendered her apology for the June Board meeting.

**2. LATE ITEMS**

There were no late items.

**3. CONFLICT AND/OR REGISTER OF INTERESTS UPDATE****3.1 Amendments to the Register of Interests**

There were no amendments to the Register of Interests.

**3.2 Declaration of Conflicts in Relation to Today's Business**

The following declarations were made regarding agenda items before the meeting:

- Agenda item 14.3, in committee minutes of Enable New Zealand re Health & Disability Commission Complaint: Barbara Robson, consumer representative on the HDC's Consumer Advisory Group
- Agenda item 14.5, in committee minutes of the Hospital Advisory Committee re Sentinel & Significant Events: Stephen Paewai who personally knew one of the people involved

- Agenda item 8.1, CEO's Operating Report – consolidated financial results: Ormond Stock and Jim Jefferies, member and Chairman respectively, Aorangi Hospital

It was agreed management of these conflicts be identified if and when the issues concerned were discussed. It was noted that Barbara Robson would leave the room for discussion of agenda item 14.3.

#### **4. PUBLIC FORUM AND MANAWATU PHO PRESENTATION**

##### **4.1 Questions from the Public**

There were no questions from the public.

##### **4.2 Presentation from Manawatu Primary Health Organisation**

Colin McJannett and Nicky Hart, Manawatu Primary Health Organisation gave a presentation on the PHO's activities over the previous 12 months. Key points of note:

- Manawatu PHO's enrolments were increasing, including Maori
- Utilisation rates for Maori and Pacific people in general practice were increasing
- The number of people having an annual diabetes review was increasing. This was a big turnaround on previous performance in this area.
- Update of influenza immunisations, breast screening, and cervical screening was increasing, including high needs population.
- Several new services had been introduced, including pulmonary and cardiac rehabilitation services. In respect of pulmonary rehabilitation, a contract arrangement had been established with a local gym in Feilding. This was proving very successful, and supported people to carry on with gym exercise. A similar arrangement was now being considered for Palmerston North.
- Respiratory nursing and physiotherapy service had been established. It was understood this was the first respiratory physiotherapy services had been offered in the community in New Zealand.
- Primary mental health services had been extended to provide packages of care for people with mild to moderate mental illness.
- The PHO had supported the establishment of a Central city Medical Practice following the death of a local GP.
- A community pharmacy service had been established, and worked within general practices.
- Manawatu PHO's total revenue was around \$17m per annum, and it made a small surplus each year. The bulk of expenditure (72%) was for general practice, particularly first contacts fees.
- Over the next 12 months, more effort was to be focused on Care Plus.

On behalf of the Board, the Chairman thanked the Manawatu PHO for its presentation, and congratulated it on its achievements. He noted that the PHO was responsible for a significant level of DHB funding. Over the next year, the DHB would be looking for value for money, both from its own services and from contracted providers.

#### **5. MINUTES OF PREVIOUS MEETING**

##### **5.1 Minutes**

It was resolved:

*that the minutes of the previous meeting held on 21 April 2009 be confirmed as a true and correct record.*

## 5.2 Matters Arising from the Minutes

### 5.2.1 Dannevirke Clinics

Management confirmed that details of attendance figures for the three relocated Dannevirke clinics could be provided to the Hospital Advisory Committee, together with “did not attend” rates.

### 5.2.2 Mobile Surgical Bus

The CEO advised positive discussions had taken place. A proposal had been developed, and he was hopeful this would be satisfactory to both parties.

## 6. BOARD COMMITTEES

### 6.1 Hospital Audit Sub-Committee

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Audit Sub-Committee held on 21 April 2009 be received and the recommendations contained therein approved.*

### 6.2 Matters Arising

#### 6.2.1 Post Event Audit Review: Linear Accelerator

The CEO advised that waiting times for Category B & C patients were now within targets. Outsourcing to other centres had stopped, with local capacity being used. LA4 had been treating 30 patients per day for the last month. A new software patch had been applied to LA4 in early May. This went well, but was not absolutely perfect. In regard to the inter-operability of machines which was being sought, this was not yet achieved. LA1 could be upgraded in due course, but the ability to upgrade LA3 was uncertain at this time.

It was noted that Category A patients (palliative care) were seen urgently, and that Category D patients required both chemotherapy and radiotherapy, and this was planned in sync.

Management advised that a report was being prepared for the next meeting of the Hospital Advisory Committee regarding radiation therapy capacity – a strategic view regarding requirements and how these would be met. The paper would not provide all the answers at this time, but would provide a good starting point. It was suggested that the independent report undertaken by Ernst & Young be taken into account in preparing the paper.

Management confirmed that the learnings from the E&Y report would be applied throughout the organisation.

### 6.3 Community & Public Health Advisory Committee

It was resolved:

*that the unconfirmed minutes of the meeting of the Community and Public Health Advisory Committee held on 5 May 2009 be received and the recommendations contained therein approved.*

### 6.4 Matters Arising

There were no matters arising from the minutes.

## 6.5 Enable New Zealand Governance Group

It was resolved:

*that the unconfirmed minutes of the meeting of the Enable New Zealand Governance Group held on 5 May 2009 be received and the recommendations contained therein approved.*

## 6.6 Matters Arising

There were no matters arising from the minutes.

## 6.7 Hospital Advisory Committee

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 5 May 2009 be received and the recommendations contained therein approved.*

## 6.8 Matters Arising

### 6.8.1 Regional Women's Health Service

The Board was advised that Dr Digby Nan Kee had commenced in the role of Regional Clinical Director, Women's Health.

### 6.8.2 Elective Services

The General Manager, MidCentral Health confirmed that plans were on track to open up eight additional surgical beds within women's health, and, to establish an acute medical assessment unit by July.

## 7. STRATEGIC ISSUES

### 7.1 Community Trust

It was resolved:

*that the report be received.*

### 7.2 Manawhenua Hauora

#### 7.2.1 Minutes

In respect of item 8.9, Feilding Health Centre Committee, Dennis Emery provided clarification of the minute. A member of Manawhenua Hauora, affiliated to Ngata Kauwhata, advised she was represented on the independent committee set up by the Manawatu Community Housing Trust to investigate a combined health centre for Feilding.

It was resolved:

*that the minutes be noted*

#### 7.2.2 Six Monthly Update

The Board noted that the Memorandum of Understanding was due to be renewed. No amendments or areas requiring change were identified by members.

Progress against the 2008/09 work programme was noted, and together with the process for developing the 2009/10 work programme.

The outcome of the Board's strategic planning workshop, which identified elder health and Maori health, as priority areas where less progress had been made was raised. It was suggested that Manawhenua Hauora be asked for their views on how this situation could be addressed. The CEO noted that this was largely predicated by the District Annual Plan.

It was resolved:

*that the report be received.*

### **7.3 Procurement Project**

The General Manager, Corporate Services confirmed that the project was in the implementation phase, and that the benefits of the new system were beginning to show. Details of quantifiable benefits achieved would be available for the next report to the Board.

In respect of the project cost, the General Manager, Corporate Services advised that use of MDHB's own staff had always been planned; however the DHB's approach to capitalisation of these costs had been conservative in comparison to other organisations. A less conservative approach was now being taken.

It was resolved:

*that the report be received.*

## **8. OPERATIONS REPORTS**

### **8.1 CEO's Report**

#### *8.1.1 Ministerial Advisors*

The Board noted the appointment of a ministerial advisor for Health.

#### *8.1.2 Government's Expectations for Payment & Employment Conditions*

The Government's expectations of DHBs regarding payment and employment conditions were noted. Members also noted the new requirement for DHBs to consult with the Ministry of Health regarding individual collective agreements.

The CEO advised that this new requirements would place an additional workload on staff, but this was not expected to be significant. However, details of the Ministry of Health's reporting requirements were not yet known.

It was noted that the new arrangements would not impact agreed settlements, and that DHBs would continue to honour previous commitments.

#### *8.1.3 Administration/Management Staff Cap*

The cap on administration/management staff numbers was discussed, and members questioned whether the cap could be increased to service new contracts as required, or, to undertake additional work associated with regional planning. The CEO believed that the process enabled applications to be made to increase the cap. However, it was unlikely the cap would be very fluid. This may mean local priorities would have to be renewed in light of regional work.

#### 8.1.4 *Allied Laundry Services Limited*

The CEO advised that any dividends were returned to the user of the service, ie MidCentral Health.

The Allied Laundry Services Limited model and its success was discussed, and it was agreed the lessons from this should be taken into consideration in other regional planning.

#### 8.1.5 *Employee Assistance Programme*

The CEO confirmed that the cost of this service was met by the DHB, and was provided free to employees.

#### 8.1.5 *Regional Clinical Services Plan*

The importance of clinical networks was discussed, together with what systems were in place to ensure these were working effectively and potential roadblocks identified. The General Manager, Funding Division advised three initiatives were in place in this regard, namely:

- production of a document around the establishment, form and direction of travel for clinical networks. This would illuminate lessons learnt in the establishment of the four networks established to date, and the amount of time required to set up a network and get it functioning.
- self-evaluation by each network's governance group of the group's performance
- self-evaluation by the members of network governance groups regarding their individual performance

The General Manager, Funding Division noted that MidCentral DHB's governance evaluation process was being used.

#### 8.1.6 *Regional Asset Management Plan*

The importance of regional asset plans being driven by regional clinical service plans was noted. The absence of a national asset plan was also noted.

Barbara Robson, noting her involvement as a Consumer Representative on the Health & Disability Commissioner's Consumer Advisory Group, raised the impact of other processes on asset planning. For example, the Health & Disability Commissioner's recent report regarding Waitemata DHB's investment in hospital infrastructure.

#### 8.1.7 *Regional Finance Plan*

The development of a regional financial plan was noted.

#### 8.1.8 *Pandemic Planning*

The Board recorded its appreciation of the work done by MidCentral DHB's team in responding to the H1N1A outbreak.

#### 8.1.9 *Year End Forecast*

The CEO advised that the consolidated position for the year to 31 March 2009 had not been achieved, and that MDHB's future position hinged on elective services funding. Feedback from the Ministry of Health in this regard was not supportive based on MidCentral Health's current elective service performance. A report on the updated forecast position was being prepared for both the Hospital Advisory Committee and the Community & Public Health Advisory Committee in June.

The Chairman noted that non-achievement of budget was an unacceptable position, and that the DHB had been put on notice by its owner to achieve its annual budget. This would be very challenging.

Management advised that the Minister of Health was seeking an updated financial position from all DHBs by the end of the day.

#### *8.1.10 Cash Position*

MidCentral DHB's current cash position was discussed, and it was agreed that the DHB's ongoing strategy in this regard be the subject of a Board workshop. Management undertook to arrange this.

#### *8.1.11 centralAlliance*

The centralAlliance Sub-Committee Chair advised the development of a work programme for the alliance was being progressed through the Sub-Committee. It was expected that a definitive work programme would be submitted for the consideration of both Boards following the sub-committee's next meeting.

The Chairman advised discussions would take place with the Ministry of Health regarding the long term vision for the alliance.

It was resolved:

*that the report be received.*

## **8.2 Communications Update**

The possibility of a collaboration site for MidCentral DHB's governance function was discussed. Board Member Ormond Stock undertook to discuss this concept further with the Chief Executive Officer and Manager, Administration & Communications.

It was resolved:

*that the report be received.*

## **9. GOVERNANCE ISSUES**

### **9.1 2008/09 Work Programme**

It was resolved:

*that the updated work programme for 2008/09 be noted.*

### **9.2 Insurance – Annual Review**

The possibility of a level of self-insurance by DHBs was discussed. Management advised that while MidCentral DHB supported this, other DHBs were not open to this possibility at the current time.

It was resolved:

*that the CEO be delegated the authority to approve the estimated 2009/10 premium of \$323,737.*

**10. LATE ITEMS**

There were no late items.

**11. DATE OF NEXT MEETING**

Tuesday, 16 June 2009, MidCentral District Health Board Offices, Board Room, Gate 2B, Heretaunga Street, Palmerston North. (NB: the meeting includes a public forum.)

**12. 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:*

Item	Reason	Ref
"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"> <li>• Community &amp; Public Health Advisory Committee, 5 May 2009</li> <li>• Hospital Advisory Committee, 5 May 2009</li> <li>• Enable New Zealand Governance Group, 5 May 2009</li> </ul>	<p>For the reasons set out in the Committee's order paper of 5.5.09 meeting held with the public present</p> <p>For the reasons set out in the Committee's order paper of 5.5.09 meeting held with the public present</p> <p>For the reasons set out in the Committee's order paper of 5.5.09 meeting held with the public present</p>	
2009/10 draft District Annual Plan & Statement of Intent	Under negotiation with the Ministry of Health	9(2)(j)
External Committee Membership	To protect personal privacy	9(2)(a)

Confirmed this 16<sup>th</sup> day of June 2009.

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Chairman