

## MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 17 August 2010 at 10.00 am  
at MidCentral District Health Board Offices, Board Room, Gate 2B, Heretaunga Street,  
Palmerston North

**PRESENT**

Phil Sunderland (Chair)  
Diane Anderson  
Lindsay Burnell  
Graeme Campbell  
Ann Chapman  
Jack Drummond

Dennis Emery  
Jim Jefferies  
Stephen Paewai  
Barbara Robson  
David Warburton

**IN ATTENDANCE**

Murray Georgel, Chief Executive Officer  
Mike Grant, General Manager, Funding Division (and Acting General Manager, Corporate Services)  
Heather Browning, General Manager, Enable New Zealand  
Jill Matthews, Principal Administration Officer  
Dennis Geddis, Communications Officer  
Lyn Horgan, Operations Director, Hospital Services  
Nicholas Glubb, Operations Director, Specialist Community & Regional Services  
Muriel Hanratty, Director, Patient Safety & Clinical Effectiveness

Public (1)  
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**

There were no amendments to the Register.

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

No conflicts were declared.

## 4. MINUTES OF PREVIOUS MEETING

### 4.1 Minutes

It was resolved:

*that the minutes of the previous meeting held on 20 July 2010 be confirmed as a true and correct record.*

### 4.2 Matters Arising from the Minutes

#### 4.2.1 Service Reconfigurations

The CEO confirmed that the post event audits of the district nursing service, and, rehabilitation services for people <65 years would include:

- any service gaps
- a consumer perspective
- financial
- outpatient services (<65 rehabilitation only)

#### 4.2.2 Child & Adolescent Oral Health Service

It was noted that the revised timeline had been delayed to September. The Operations Director, Specialist Community & Regional Service advised the delay was due to timing issues. Some time was required to work through the detail of the service configuration and financial milestones were held over until this work was completed. He confirmed that the milestones were linked to key elements of the project, including financials.

## 5. BOARD COMMITTEES

### 5.1 Hospital Audit Sub-Committee

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Audit Sub-Committee held on 20 July 2010 be received and the recommendations contained therein approved.*

### 5.2 Matters Arising

#### 5.2.1 GP Referrals to the Provider

A member considered there was still room for improvement in this area.

#### 5.2.2 Audit re Access to Colonoscopy Services at Otago DHB

MidCentral DHB's response to Health & Disability Commissioner recommendations of this nature was raised. The CEO advised such recommendations were seriously considered. It was noted that reports had been provided to the Hospital Advisory committee from time to time regarding progress in enacting HDC recommendations.

### 5.3 Community & Public Health Advisory Committee

The Committee's appreciation to management for the positive outcomes achieved during difficult times.

It was resolved:

*that the unconfirmed minutes of the meeting of the Community and Public Health Advisory Committee held on 3 August 2010 be received and the recommendations contained therein approved.*

## **5.4 Matters Arising**

### *5.4.1 Finance Report – July 2010*

It was noted that the Funding Division's preliminary result for the 2009/10 year was positive to budget, not surplus to budget as noted in the unconfirmed minutes.

### *5.4.2 Integrated Family Health Centre*

The indicative timeline for establishment of the Feilding Integrated Family Health Centre was discussed. Management advised that the original timeline saw the IFHC established by 2010 but current thinking was it was likely to take considerably longer. Dennis Emery noted that the IDE committee had been suspended temporarily and all matters associated with the IFHC were being handled by the Manawatu Community Trust. He considered it would be at least 12 months before the Centre was operational.

## **5.5 Hospital Advisory Committee**

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 3 August 2010 be received and all other recommendations contained therein approved.*

## **5.6 Matters Arising**

### *5.6.1 Medical Oncology Wait Times*

It was noted that the proposed wait times for medical oncology treatment were "draft" at this stage. It was further noted that defining the benefits which would result from the introduction of such a target would be an interesting concept.

### *5.6.2 Planning Workstation – Radiation Oncology*

A member questioned whether the benefit(s) of "better management of complex patients" could be quantified, thus enabling the DHB to measure the impact of new technology.

### *5.6.3 Child & Adolescent Oral Health Service*

The following items were put forward for inclusion in management's forthcoming report to the Hospital Advisory Committee on the project's revised timeline:

- how any amendment to fixed sites would change was what proposed in the original business case, eg number of schools which would be serviced by a mobile clinic
- alignment to Feilding Integrated Family Health Centre project and the impact of the IFHC's extended timeline on the CA&OHS project
- financial impact of any changes
- the degree of leeway MidCentral Health has around timeframes and costs
- further detail around the issues register, both national and local

#### 5.6.4 Emergency Department

The number of presentations to Emergency Department which could be managed by a GP raised, together with means of reducing these, such as co-located GP practices. Management advised that the “Transforming Primary Health Care” business case aimed to reduce ED presentations by 30% .

#### 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 August 2010 be received and the recommendations contained therein approved.*

#### 5.8 Matters Arising

There were no matters arising from the minutes.

### 6. STRATEGIC ISSUES

#### 6.1 Asset Management Plan

The draft Asset Management Plan was discussed and the following points were noted:

- It was imperative that the DHB return to a position of generating surpluses so that it could make the appropriate level of capital investment, estimated at around \$15m - \$18m per annum.
- MDHB’s current level of investment was restricted by its financial position and a level of deferred maintenance and capital expenditure was accruing
- New technology often had a shorter economic life which would impact future cash flow levels. Replacement would be occurring every 2-3 years rather than 4-5 years.
- It was important that a “whole of district” and “whole of region” approach was taken to asset and strategic planning, including private resources. Duplication of expenditure of infrastructure and assets, etc had to be avoided.
- Public/private partnerships must be considered in future capital and strategic projects. It was noted that the Integrated Family Health Centre, Feilding was a public/private arrangement.
- Asset planning should be expanded beyond those assets necessary to meet business requirements to what assets the DHB should plan to remove. This was important from a cash flow perspective.

During the discussion, Jim Jefferies declared his interest as Chairman, Aorangi Hospital (a private hospital in Palmerston North).

Management confirmed that use of SPM, a product available through Spotless, was being explored. No decision had been made at this time.

It was resolved:

*that the draft asset management plan be approved by the Board and that the AMP information requirements be submitted to the Ministry of Health as required by 30*

*August 2010;*

*that the updated capital investment processes be noted; and,*

*that the plan for working with external support to review the capital programme for the next ten years be noted.*

## **6.2 Manawhenua Hauora**

It was resolved:

*that the minutes be received.*

## **6.3 centralAlliance**

The importance of Board and Committee involvement in the centralAlliance process was noted.

Regarding the women's health elective initiative, management undertook to report back, via the Hospital Advisory Committee, regarding the credentialing arrangements. Board Members noted the importance of clinicians at both DHBs having the same credentialing standards and processes.

It was resolved:

*that the report be received.*

## **7. OPERATIONS REPORTS**

### **7.1 CEO's Report**

#### *7.1.1 2009/10 Annual Accounts*

The CEO advised that the external audit of the DHB's accounts was largely complete. The auditors had indicated they would be furnishing an unqualified audit opinion.

#### *7.1.2 Elective Services*

Management confirmed that the wait times were six months for a first specialist assessment to be completed, and, six months for elective surgery to be undertaken. Pre-admission clinics were held for people requiring surgery. These included an anaesthetic assessment. Patients generally received surgery within six weeks of these clinics. If they waited greater than six weeks, they would require another pre-admission assessment.

#### *7.1.3 Regional Governance Group*

The CEO advised that the Central Region's Chair Executive representative, Peter Glensor, was chairing the Regional Governance Group.

#### *7.1.4 Regional Services Plan*

The development of the Regional Services Plan was discussed and the following points were noted:

- The regional planning information was not sufficiently sophisticated to enable financial costings to be developed and included. This would occur over time.

- Each DHB within the region was developing its own Asset Management Plan, but further work was required in terms of service planning (including model of care and location) before a regional asset plan could be developed. Similarly, information systems planning needed to be aligned to such service planning.
- The draft Regional Services Plan would be submitted to the Board in September, prior to submission to the Ministry of Health.
- The development of Regional Services Plan had been done without national guidelines or standards. Once the first draft of Plans was considered by the Ministry of Health, it was possible further enhancements would be sought based on the assessment of each plan.
- MidCentral DHB's business plan regarding a fourth linear accelerator would be aligned to regional plans. This would be done through the regional cancer network.
- Regional service models would require regional credentialing systems and revenue considerations.
- Operational costs and activity may also be significantly impacted by regional service plans, depending on the model of care, service location, and service provider.
- The central region currently accounted for around 50% of the sector's deficit but served less than 25% of the national population. This could be a potential burden for the region.
- Care was being taken to ensure the Plan was short and "crunchy". Supporting information would be appended.

#### *7.1.5 District Annual Plan 2010/11*

Management advised that the District Annual Plan remained in the Ministry/ministerial sign-off process. Latest advice indicated resolution would shortly be achieved.

It was noted that the DHB had an approved Statement of Intent.

#### *7.1.6 Manawhenua Hauora*

The CEO advised a correction to his report. The board-to-board hui was scheduled for Monday, 30 August 2010.

#### *7.1.7 Legal Services*

The Acting General Manager, Corporate Services advised that the tender documentation included an "opt on" option. This would enable other DHBs, such as Hutt Valley, to join.

#### *7.1.8 2009/10 Year*

The achievements of the 2009/10 year were noted.

#### *7.1.9 Financial Performance*

The CEO advised that the July 2010 result was better than budget.

In respect of the 2009/10 year, the CEO advised the preliminary result was adverse to budget, but better than forecast.

The non-achievement of two covenants was raised. Management advised that these were indicators only, and not contractual requirements. Regular meetings were held with the Crown Health Financing Agency.

It was resolved:

*that the report be received.*

## **8. GOVERNANCE ISSUES**

### **8.1 2010 DHB Elections**

The Manager, Administration & Communications advised five nominations had now been received. Nominations closed at 12 noon, Friday 20 August 2010.

It was resolved:

*that the report be received.*

### **8.2 2010/11 Work Programme**

It was resolved:

*that the updated work programme for 2010/11 be noted.*

## **9. LATE ITEMS**

There were no late items.

## **10. DATE OF NEXT MEETING**

Tuesday, 21 September 2010, MidCentral DHB Offices, Board Room, Gate 2B, Heretaunga Street, Palmerston North.

## **11. 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 reasons stated in the previous agenda</i>	
<i>"In Committee" Minutes of Committee Meetings:</i>		
<ul style="list-style-type: none"> <li>• <i>Community &amp; Public Health Advisory Committee, 3 August 2010</i></li> <li>• <i>Hospital Advisory Committee, 3 August 2010</i></li> <li>• <i>Enable New Zealand Governance Group, 3 August 2010</i></li> </ul>	<p><i>For the reasons set out in the Committee's order paper of 3.8.10 meeting held with the public present</i></p> <p><i>For the reasons set out in the Committee's order paper of 3.8.10 meeting held with the public present</i></p> <p><i>For the reasons set out in the Committee's order paper of 3.8.10 meeting held with the public present</i></p>	
<i>Operational Issues</i>		
<ul style="list-style-type: none"> <li>• <i>Financial Recovery Programme</i></li> <li>• <i>CEO's Report: Individual Employment Agreements</i></li> </ul>	<p><i>Under negotiation</i></p> <p><i>Under negotiation</i></p>	<p>9(2)(j)</p> <p>9(2)(j)</p>

4.8

Confirmed this 21<sup>st</sup> day of September 2010.

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Chairman