

MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 20 October 2009 at 10.08 am at Eketahuna Golf Club Rooms, Macara Street, Eketahuna

PRESENT

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

Dennis Emery
Jim Jefferies
Stephen Paewai
Barbara Robson

IN ATTENDANCE

Murray Georgel, Chief Executive Officer
Stuart Wilson, General Manager, Corporate Services
Mike Grant, General Manager, Funding Division
Jill Matthews, Principal Administration Officer
Jeff Small, Group Manager, Commercial Services
Dennis Geddis, Communications Officer

Tararua Primary Health Organisation:

- Sandra Lester, Manager
- Francis Guthrie (Compass Health)

Public (10)
Media (0)

The meeting opened with a karakia.

1. APOLOGIES

An apology was received from Jack Drummond, 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

Stephen Paewai advised his brother-in-law held a managerial position with ACC.

Murray Georgel that he was no longer a Trustee for Sport Manawatu.

3.2 Declaration of Conflicts in Relation to Today's Business

Barbara Robson advised her interest in the Regional Clinical Services Plan – a matter discussed in the CEO's Operating Report – agenda item 8.1. She was the consumer representative on the RCSP's steering committee. It was agreed that this involvement did not present an issue for the matter being discussed, namely the RCSP's governance arrangements and that Mrs Robson could participate.

4. PUBLIC FORUM AND TARARUA PHO PRESENTATION

4.1 Questions from the Public

The following matters were raised by the public:

- Resolution of the Dannevirke outpatient clinics issue. The solutions, including nurse-led clinics, were appreciated, as was the open communication which eventuated.
- Resolution of the mobile surgical bus issue. Local residents were pleased the surgical bus would soon, once again, be making regular trips to Dannevirke Community Hospital.
- Child and Adolescent Dental Services. Public engagement on the clinics was considered essential. The school-based stand-alone clinics had been in place for many years and the change required community engagement and good communication. MDHB's willingness to increase the number of engagement meetings to include a night meeting was appreciated. It was noted that the mobile clinics aimed to improve access to dental care, and, increase the use of clinics.
- Access to Wairarapa DHB's services by Eketahuna residents. A resident sought an assurance that they could continue to access services at Masterton Hospital. It was noted that in an acute situation, the ambulance staff determined which health facility they would transport the patient(s) to based on clinical need. For elective services, MidCentral DHB had not imposed any restrictions on "outflows", ie patients wishing to access services from another DHB. The ability of other DHBs to provide this service may impact, ie local capacity. MidCentral DHB did restrict "inflows" from outside regions as appropriate to enable services to manage local demand. MDHB management undertook to check with St Johns regarding anecdotal cases of ambulance officers advising patients they were unable to take them to Masterton Hospital.
- DHB Electoral System: The current electoral system which did not provide for local representation on DHB Boards was raised as a concern.
- Tararua Health Group: The establishment of the Tararua Health Group was noted. This Group consisted of three Tararua GP practices and the Dannevirke Community Hospital. It was considered to be one of the major providers of primary health care in the region.

The CEO outlined MDHB's financial position, the challenges this posed, and the possibility of future changes.

4.2 Presentation from Tararua Primary Health Organisation

Sandra Lester, Manager, Tararua PHO gave a presentation of the PHO's achievements for 2008/09, and plans for the current year. She noted that the Tararua PHO was the first PHO to be established in MidCentral DHB's district, and was known for its innovation.

Achievements for 2008/09:

- Establishment of the Tararua Health Group on 1 April 2009.

- The level of collaboration with other organisations continued to increase. An example, was the smoking cessation programme provided by PHO staff in two local secondary schools and which were linked to local youth health agencies. Another example was the way the PHO's Physical Activity Officers linked with local gym services to facilitate ongoing maintenance programmes for clients.
- Support for St John's Ambulance shuttle service in Pahiatua when it required a new shuttle
- Appointment of an Alcohol & Drug Counsellor, using Services to Improve Access funding.
- Dietician service expanded by increasing resources from 0.5 fte to 1fte, thus enabling improved servicing of total district.
- Establishment of Tai Chi classes in Woodville
- Pulmonary rehabilitation classes commenced, and a local branch of the Breathe Easy Support Group was formed.
- All services were managing more patient contacts.

The current service initiative was establishing a mobile clinic utilising funding received via the national primary health innovation initiative. The clinics would be utilised by all services, and would also be available for other organisations.

The Tararua PHO's hardship funding programme was discussed. The Manager advised that this was a discrete fund managed by GPs. The local budget advisory service had been advised of the programme.

The Chairman thanked the Tararua PHO for its innovation and work.

5. MINUTES OF PREVIOUS MEETING

5.1 Minutes

It was resolved:

that the minutes of the previous meeting held on 15 September 2009 be confirmed as a true and correct record.

5.2 Matters Arising from the Minutes

There were no matters arising from the minutes.

6. BOARD COMMITTEES

6.1 Group Audit Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Group Audit Committee held on 15 September 2009 be received and the recommendations contained therein approved.

6.2 Matters Arising

There were no matters arising from the minutes.

6.3 Community & Public Health Advisory Committee

A correction to the minutes was noted, and it was agreed this be reported back to the Committee. Item 6.2, Operating Report – Care Guides: It had been suggested “awareness of breast screening symptoms” be added to the clinical care guide list.

It was resolved:

that the unconfirmed minutes of the meeting of the Community and Public Health Advisory Committee held on 6 October 2009 be received and the recommendations contained therein approved.

6.4 Matters Arising

There were no matters arising from the minutes.

6.5 Hospital Advisory Committee

A correction to Richard Orzecki's declared conflict was noted. The Organisation was Te Runanga o Ati Awa Ki Whakarongotai Inc.

A correction to item 7.2, centralAlliance update was also noted. "The issue of quality and safety of practice outcomes was raised *as drivers for moves* to the alliance."

It was resolved:

that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 6 October 2009 be received and the recommendations contained therein approved.

6.6 Matters Arising

6.6.1 Child & Adolescent Oral Health Services

Concerns regarding the new service arrangements were raised. It was noted that the Hospital Advisory Committee had also raised some issues, and that management would be reporting back on these matters to the Committee in November. It was agreed that Board Members' issues be incorporated into this reporting arrangement. Issues raised were:

- Emergency exit arrangements for disabled people, ie people in wheelchairs.
- Fire safety compliance.
- Financial sustainability of the service.
- Potential for other design problems to be identified later in the process given the fact basic issues such as universal access and three-phase power had not been addressed through the national procurement process.
- Emergency dental care access under a mobile arrangement.
- Assurance that a risk management plan was in place with appropriate mitigations.
- Local affordability of additional costs which had been identified, such as universal access.

It was suggested by one member that a portion of the district not move to the new model so that it could be used as the control group in determining the cost effectiveness of the new model of care, or, that fixed sites remain open in Horowhenua and Tararua until the last minute.

It was noted that the national procurement process used for the dental caravans had been discussed at the Hospital Audit Sub-Committee and an examination of this process requested.

6.7 Disability Support Advisory Committee

It was resolved:

that the unconfirmed minutes of the meeting of the Disability Support Advisory Committee held on 6 October 2009 be received and the recommendations contained therein approved.

6.8 Matters Arising

6.8.1 *centralAlliance*

The Chairman advised that subsequent to the Disability Support Advisory Committee, it had been suggested Waikato and Canterbury DHBs had a similar disability profile, and it may be interesting to learn about the work programmes of their DSACs. This suggestion had been passed on to management.

7. STRATEGIC ISSUES

7.1 District Strategic Plan Timeline

The Board agreed that the Strategic Plan required review to ensure it was still appropriate.

It was resolved:

that the Board support the production of a new District Strategic Plan by October 2010;

that the DSP will be developed in tandem with the Regional Clinical Services Plan;

that a detailed planning timeframe for the two documents will be presented to the Board for approval as soon as they are developed.

7.2 Revaluation of Land and Buildings

The Board agreed that its balance sheet must reflect the fair value of assets to the DHB's owners.

The Board agreed that future building requirements would be quite different to the current situation and would have lower cost structures because the whole model of health care was changing. It further agreed future models of care would impact negatively and dramatically on building stock, particularly the base hospital, and the need to retain land for non-earning activities such as car parking. As such it would be extremely unwise to lift values to a point that the balance sheet would represent an overvaluation of assets.

Other factors which impacted on hospital land and building valuations were discussed, including the land disposal process. Most hospital land was subject to Maori land claim, which in effect meant there was only one buyer, being the Government. Demolition costs associated with removing hospital buildings (as currently constructed) was high.

The Board agreed that it should review the way its assets were valued by the end of 2010. It was noted that re-valuations were required on a three-yearly basis.

The consequences of overvalued assets were considered intolerable.

The consequences of not accepting the revaluations were noted, being the possibility of qualified accounts. It was noted that the DHB's ability to raise loan funds as required was unlikely to be impacted as this was largely based on the entity's ability to service loans.

It was agreed the revaluation approach was also a national issue and would benefit from discussions at this level.

It was resolved:

that the valuation of land and buildings remain at current levels;

that the Board's position be advised in writing to the external auditors;

that the Board Chair and Group Audit Chair be delegated authority to act in matters relating to the 2009 revaluation; and,

that the valuation policy be reviewed by December 2010.

7.3 Regional Collaboration Project – Joint Provision of Commercial Support Services

The Board supported the proposed collaboration project, and noted that corporate services were currently looking at structure options for collaborative ventures.

The Chair advised he had approached the Chairs, Group Audit and Hospital Advisory Committee regarding their availability to serve on the proposed Governance Advisory Group. Both were willing to take on this role.

Members congratulated the Group Manager, Commercial Services on his report.

It was resolved:

that the Board reaffirm its commitment to working collaboratively with Whanganui and Wairarapa DHBs on the development of joint provision of Commercial Support Services;

that the Board agree to the extension of current service contracts outlined in management's report dated 12 October 2009;

that the Board note the progress and proposed timeline for the Project;

that the Board agree that a joint DHB Governance Advisory Group be established to support the project;

that Board Members Jim Jefferies and Jack Drummond act as MDHB's representatives, along the CEO, on the Governance Advisory Group;

that the Board endorse the use of the combined Boards' workshops to provide updates/support the Board's decision making relating to the Project; and,

that the Board note that updates will be provided through the CEO's monthly operating report to the Board.

7.4 Manawhenua Hauora Minutes

It was resolved:

that the minutes be received.

8. OPERATIONS REPORTS

8.1 CEO's Report

8.1.1 Health Targets

The CEO advised the new reporting arrangements had been confirmed and were to take effect from November 2009.

8.1.2 Health Procurement

The CEO advised that he would raise concerns regarding the health procurement process, which had resulted from the dental caravan initiative, at a forthcoming meeting of DHB CEOs.

8.1.3 Planning Guidelines

The draft national planning guidelines were noted, and members were invited to provide feedback to the CEO.

8.1.4 centralAlliance

The CEO advised that the two DHBs involved in the southernAlliance had decided to consider a merger and were to consult with their staff and communities about the establishment of a one DHB for the combined region. The six-week consultation process was to commence on 2 November.

8.1.5 Regional Clinical Services Plan

Barbara Robson's interest was noted. She spoke in support of the recommendations.

The Board supported the concept of a Regional Committee for the Regional Clinical Services Plan. It agreed that decision-making should rest with DHB representatives only, ie the Chair or CEO, and the independent Chair, with any other members being non-voting.

The Board supported the inclusion of a Maori representative, and suggested this may be best incorporated into the supporting advisory committees. It was noted that clinical staff were currently considering the structure and their preliminary view was the three advisory groups should be amalgamated into one, drawing upon specialist expertise as required.

It was resolved:

that the Regional Clinical Services Plan's Regional Committee Terms of Reference be ratified;

that the establishment of a RCSP Regional Committee and the appointment of an Independent Chair and two Clinician members be approved;

that MidCentral DHB's representative on the RCSP Regional Committee be the Board Chair, with the CEO as alternate member;

that the Board Chair and CEO be delegated authority to act in matters relating the RCSP implementation; and,

that the Board's views regarding non-Board member membership be incorporated, as well as any requirements for a review period.

8.1.6 Regional Maori Partnership Board

The Board noted that this matter would be discussed with Manawhenua Hauora's Chair and Deputy Chair at the forthcoming six-monthly review meeting.

8.1.6 Health Management System Collaborative

The potential impact of the Ministerial Review Group's recommendations on this project were noted.

The Board expressed concern that the collaborative initiative, and the aim for an integrated system encompassing both primary and secondary care, was slowing down progress. Of particular concern was the delay in replacing MidCentral DHB's patient management system.

Management advised that implementation of MidCentral DHB's Information Systems Strategic Plan was still occurring, and options were being explored as to other means of achieving replacement of the patient management system. A paper would be presented to the Board for consideration.

Management further advised that the HMSC initiative had been renamed Project Enact. It had strong clinical support and was looking at how health service delivery could change across the sector.

8.1.7 Strategic Workshop

Members were positive about the outcomes achieved at the workshop, noting that it was now up to the Board to ensure key priorities were followed through.

Management advised the notes of the workshop would be circulated to all members in the near future.

8.1.8 Financial Position

The financial outlook was discussed. The CEO advised that at the end of the first quarter, the provider division was adverse to budget, and, the funding division was positive to budget.

Within the provider division, surgery levels were increasing and there was growing confidence MidCentral Health would be able to deliver its elective services plan in-house. Cost reduction strategies were taking longer than budgeted to achieve and increased focus was being given to this area.

On a DHB-basis, there were some potential one-off savings which would assist in offsetting the provider division's delayed savings plan.

The Board noted the new requirement for DHBs to report end-year forecasts to the Ministry of Health on a quarterly basis. It also noted MidCentral DHB's first forecast report, and the qualifying statements regarding revaluations.

The early, positive advances made in surgical services was noted by members.

8.1.9 Capital Plan

The CEO reported MDHB's application to sell portion of the Horowhenua Hospital campus to the Order of St Johns had been declined. An update on this matter would be provided to the Hospital Advisory Committee, including appeal processes.

It was resolved:

that the report be received;

8.2 Community Trust

Members expressed disappointment that the non-establishment of a Community Trust. It was agreed that the DHB should continue to look for opportunities for sponsorship when purchasing major capital equipment and approach appropriate organisations, such as electricity companies.

It was resolved:

that the report be received.

9. GOVERNANCE ISSUES

9.1 2009/10 Work Programme

It was resolved:

that the updated work programme for 2009/10 be noted.

9.2 2010 Meeting Schedule

It was resolved:

that the 2010 meeting schedule, as contained in the agenda, be approved.

10. LATE ITEMS

There were no late items.

11. DATE OF NEXT MEETING

Tuesday, 17 November 2009, MidCentral DHB Offices, Board Room, Gate 2B, Heretaunga Street, Palmerston North.

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:

| <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> | <i>For the reasons set out in the Committee's order paper of 6.10.09 meeting held with the public present</i> | |
| <ul style="list-style-type: none"> <i>• Community & Public Health Advisory Committee, 6 October 2009</i> | | |

4.10

| | | |
|---|---|----------------|
| <ul style="list-style-type: none"><i>Hospital Advisory Committee, 6 October 2009</i> | <i>For the reasons set out in the Committee's order paper of 6.10.09 meeting held with the public present</i> | |
| <i>CEO's Operating Report:</i> <ul style="list-style-type: none"><i>2010/11 Funding Envelope</i><i>Shared Bargaining Framework</i> | <i>Subject of negotiation</i> | <i>9(2)(j)</i> |

Confirmed this 17th day of November 2009.

.....
Chairman