

## MIDCENTRAL DISTRICT HEALTH BOARD

Minutes of the MidCentral District Health Board meeting held on 16 March 2010 at 10.10am at  
The Hub, Allardice Street, Dannevirke

### **PRESENT**

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

Jack Drummond  
Dennis Emery  
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)  
Jill Matthews, Principal Administration Officer  
Dennis Geddis, Communications Team Leader  
Niki Michael, Communications Officer  
Craig Johnston, Senior Portfolio Manager, Primary Health Care

Tararua Primary Health Organisation: Sandra Lester, Manager, and, Joy Kopa, Projects Co-ordinator/EA

Public (5)  
Media (1)

### **1. APOLOGIES**

An apology was received from Jim Jefferies, 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**

There were no amendments to the Register of Interests.

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

Stephen Paewai declared his interest as Chair, Tararua PHO in agenda item 7.1, Better, Sooner, More Convenient Primary Health Care. He did not participate in discussion of this item.

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

The public forum opened with a karakia.

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

Opening the meeting, the Chair acknowledged the work and support of Tararua's outgoing Mayor, Maureen Reynolds.

The following matters were raised by members of the public:

- MidCentral DHB's Health Awards. The Mayor believed these were "absolutely fantastic" and recipients of the Awards were delighted to be acknowledged by the DHB.
- Access to Masterton Hospital for Eketahuna residents was raised by a local Councillor and the Eketahuna Community Board. Historically, Eketahuna residents could access hospital services from Masterton but recently some referrals had been returned to GPs. In respect of ambulance services, people's request to be taken to Masterton Hospital had been declined.

The CEO advised that ambulance services were planned and purchased by the Ministry of Health. St John Ambulance Service was the local contractor. Contractual arrangements were for people to be transported within DHB boundaries. Variations to this could be requested by a medical officer, or determined by ambulance officers on clinical grounds such as the need for stabilisation of a patient.

In respect of elective services, the CEO advised MDHB had not had any discussions with Wairarapa DHB regarding access to Masterton Hospital. He noted that from time to time, hospitals experiencing capacity issues may restrict access for out-of-district referrals so that local residents were not disadvantaged.

The CEO noted that inter-district flow arrangements were in place throughout New Zealand to enable charging between DHBs for treatment of out-of-district residents.

The CEO undertook to raise the Eketahuna Community Board's concerns with both Wairarapa DHB and St John Ambulance Service.

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

Sandra Lester, Manager, Tararua PHO gave a presentation regarding the work of the PHO.

Key points included:

- Tararua PHO remained in surplus – around \$34,000. The surplus funds were ring-fenced for specific services. Issues such as staff vacancies had temporarily ceased some services.
- Tararua PHO's enrolment level remained around 15,000. A small decrease had occurred between 2008 and 2009. During this time, Oringi Freezing Works had closed and it was felt this could have impacted enrolment rates.
- Using the 2006 census data, it was estimated around 11% of local residents were not enrolled with the PHO. A further 3-5% were enrolled with a PHO outside Tararua.
- Around 9-10 GPs worked within the Tararua district, but many worked part-time. Using the ratio of 1 GP: 1,500 clients, it was considered a further full-time GP was required.
- Tararua GPs had never closed their books to new clients.
- The level of Maori enrolments were in line with estimated population levels (2006 Census data). GP consultation rates for Maori were similar to non-Maori for all age groups, except 0-4 and 5-14 year olds.

- Care Plus worked extremely well within the Tararua region and the concept of general practice teams had been embraced.
- The number of GP consultations had fallen significantly (14,027) between 2008 and 2009 reaching 59,249. The reason for this reduction was uncertain. General practices had joined to form the Tararua Health Group during the year and issues with merging registers may have impacted. In addition, the uptake of chronic care services may have reduced the need for GP consultations. Recruitment of a respiratory physiotherapist was a key requirement.
- Chronic care services continued to be well utilised. Staff changes and difficulties in recruitment had meant some service levels had fallen slightly over the previous year.
- The mental health service was working particularly well.
- Demand for podiatry services was higher than current capacity. Access to podiatry services was restrictive.
- Tararua PHO was performing well in respect of the Primary Health Care Performance Management Programme. The majority of targets were being met. Areas behind target were: age appropriate vaccinations for two-year olds; breast screening, and CVD/diabetes.
- The PHO's future direction was around implementing the "Better, Sooner, More Convenient Primary Health Care Business Case". It also aimed to streamline back-office services, complete the establishment of its integrated family health centre, develop stronger clinical networks, and achieve PHO integration.
- In respect of PHO integration, it was stated that three of the four PHOs based in MidCentral's district had agreed to merge into one entity. The remaining PHO was still in discussion on this matter. Merging of PHOs would not mean the loss of local input, but was about streamlining services. Local input at ground level would continue.
- The Tararua mobile service was to be officially launched on 8 April 2010.

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

### **5.1 Minutes**

It was resolved:

*that the minutes of the previous meeting held on 16 February 2010 be confirmed as a true and correct record.*

### **5.2 Matters Arising from the Minutes**

Management advised land holding costs had been discussed with the Group Audit Committee. An invoice had been sent and no problems with payment were anticipated.

## **6. BOARD COMMITTEES**

### **6.1 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 2 March 2010 be received and the recommendations contained therein approved.*

## 6.2 Matters Arising

There were no matters arising from the minutes.

## 6.3 Hospital Advisory Committee

A member expressed dissatisfaction with the decision-making process and information regarding the clinical records building.

A member requested a variation to the recommendation regarding the clinical records building along the lines that management be required as part of the ongoing process to vigorously explore the possibility of a joint ventures or business partnerships which might be workable to remove the pressure from the DHB's strained financial situation. The Chair declined acceptance of this variation. It was agreed that this matter could be pursued via the Hospital Advisory Committee.

Management advised that in accordance with discussions at the Hospital Advisory Committee, and as noted in the minutes, it was exploring private funding options, depreciation deductibility, etc. The results were to be reported to the Hospital Advisory Committee.

It was resolved:

*that the unconfirmed minutes of the meeting of the Hospital Advisory Committee held on 2 March 2010 be received and the recommendations contained therein approved.*

## 6.4 Matters Arising

### 6.4.1 Child & Adolescent Oral Health Service

Details of the contract for transporting the mobile dental caravans was requested, including contract value, contract holder, and details of the procurement process, ie was a contestable process used. It was agreed this information be provided via the Hospital Advisory Committee.

Members Anderson, Burnell and Robson requested a copy of the contract document.

## 6.5 Disability Support Advisory Committee

A change to the minutes was suggested. The Committee Chair advised the minutes accurately reflected the Committee's discussion.

It was resolved:

*that the unconfirmed minutes of the meeting of the Disability Support Advisory Committee held on 2 March 2010 be received and the recommendations contained therein approved.*

## 6.6 Matters Arising

There were no matters arising from the minutes.

## 7. STRATEGIC ISSUES

### 7.1 Better, Sooner, More Convenient Primary Health Care

The criteria and process for ensuring change initiatives which may significantly impact the DHB were subject to detailed business cases was discussed. The General Manager, Funding Division gave the example of co-locating MidCentral Health's district nursing service with general practice services. This would have a significant impact on MCH and so would require a detailed business case.

The CEO advised that a "significant impact on the DHB" included a component part of the DHB, such as the provider arm.

The importance of ensuring business cases for parts of the "Better, Sooner, More Convenient Primary Health Care" strategy were presented in such a way to show how they fitted into that strategy, thus ensuring they were not considered in isolation.

The importance of clear accountability lines was also emphasised. The General Manager, Funding Division noted there was no new money for the programme and it would be managed within existing resources. He further noted that the DHB funded close to 90% of PHO and other providers within the district. The business case process would be used to ensure accountability lines were clear.

Audit and monitoring arrangements were discussed. The General Manager, Funding Division advised systems and processes currently existed and these would apply to this project. He noted that the internal audit programme was established by the Board each year, and resources could be dedicated to the "BSMCPHC" project.

It was resolved:

*that this report be received;*

*it be noted that the Business Case aligns well with the DHB's strategic direction and priority issues;*

*it be noted that elements of the Business Case have been incorporated into the draft 2010/11 District Annual Plan;*

*it be noted that the Business Case is to be achieved within existing financial resources and with no adverse financial impact on the DHB;*

*it be noted that any change initiative that has significant impact on the DHB, and any of its separate divisions, will be subject to detailed business cases at a later stage; and,*

*the Board supports the further development of the Business Case for Better, Sooner, More Convenient Primary Health Care.*

## **7.2 Manawhenua Hauora**

It was resolved:

*that the minutes be received.*

## **8. OPERATIONS REPORTS**

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

#### *8.1.1 Role of Pharmac*

The development of a Hospital Formulary was noted, as was the proposed extended role of Pharmac.

### 8.1.2 National Health Targets

The Chairman advised that in respect of DHB achievement of national health targets, no excuses would be tolerated by the Centre.

### 8.1.3 Sector Update – Other

A correction to the CEO's report was noted. Future Cabinet papers included the role of the National Health Committee.

### 8.1.5 Regional Forum for Central Region DHB Board Members

The date of the regional forum for DHB board members was noted being 3 May 2010. The CEO advised an agenda would be provided in due course. The forum would start at 9.30am, concluding at 3.30pm.

### 8.1.6 centralAlliance

The Chairman updated members on the centralAlliance sub-committee workshop held on 15 March 2010. A communication plan for the alliance had been agreed.

The sub-committee had reviewed the philosophy of the alliance in light of the difficulties experienced by Whanganui DHB regarding attitudes toward it. It was agreed the philosophy remained appropriate, and both DHBs should continue to further develop the relationship as quickly as possible.

Clinical input had been received, and while clinicians were comfortable with the philosophy of the alliance, further work was required around the detail of implementation.

### 8.1.7 MidCentral DHB's Monitoring Status

Members noted that MidCentral DHB's rating in Ministry of Health's Monitoring & Intervention Framework had been downgraded from "standard" to "performance watch".

They further noted that information on how the DHB could return to "standard" monitoring was to be advised by the Ministry at the financial recovery meeting scheduled for 17 March.

### 8.1.8 Financial Position

The CEO advised the preliminary financial results for February showed the DHB to be within its forecast position.

It was noted that the statement in the CEO's report regarding the increase in current assets and liabilities related to the previous month.

### 8.1.9 Capital Expenditure

Management was requested to ensure consistency in the terminology used regarding accrued capital funding for future linear accelerator purchases. Currently, different terms were used in the operating report and the District Annual Plan.

It was resolved:

*that the report be received.*

## 8.2 Sponsorship

The Acting General Manager, Corporate Services advised the draft Policy would be finalised over coming weeks and re-presented to the Board for approval. The following changes to the policy were requested:

- clear alignment of the sponsorship “approvals” to the Delegations Policy (which was a related document)
- consideration of including “timeliness of the sponsorship” as part of the Policy.
- content to be non-gender specific

The importance of ensuring operational costs associated with items funded via sponsorship were included in the DHB’s budget was noted.

It was further noted that the establishment of a Community Trust could occur at a future date.

It was resolved:

*that the report be received.*

## 9. GOVERNANCE ISSUES

### 9.1 Delegations Policy

A member sought assurance that the contract system was robust and management could not structure contracts so that they fell within their delegated authority.

The CEO advised various audit programmes were in place to ensure a robust contracts system. For example, the internal auditors were currently holding fraud workshops.

The CEO noted that management was not seeking any change in the level of delegated authority.

The limitations on delegations when the DHB was in an “adverse to budget” position was discussed. It was agreed that this was currently included in the “General Principles and Rules of Delegation” which stated all delegations of financial matters were to be undertaken within the limits of the approved operational budget. The CEO advised this provision of the Policy would be reworded to provide further clarity and re-presented to the Board for approval by May 2010.

It was resolved:

*that the report be received.*

### 9.2 2010 DHB Elections

It was resolved:

*that the order of DHB candidate names be printed in alphabetical order, by surname, on all voting documents;*

*that early processing of MidCentral DHB voting documents during the voting period be authorised; and,*

*that the report be received.*

### 9.3 2009/10 Work Programme

It was resolved:

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

#### 10. LATE ITEMS

There were no late items.

#### 11. DATE OF NEXT MEETING

Tuesday, 20 April 2010, Manawatu District Council, 135 Manchester Street, Feilding

#### 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>		
<ul style="list-style-type: none"> <li>• <i>Community &amp; Public Health Advisory Committee, 2 March 2010</i></li> <li>• <i>Hospital Advisory Committee, 2 March 2010</i></li> <li>• <i>Disability Support Advisory Committee, 2 March 2010</i></li> <li>• <i>Remuneration Committee, 2 March 2010: CEO's Performance Review</i></li> </ul>	<ul style="list-style-type: none"> <li><i>For the reasons set out in the Committee's order paper of 2.3.10 meeting held with the public present</i></li> <li><i>For the reasons set out in the Committee's order paper of 2.3.10 meeting held with the public present</i></li> <li><i>For the reasons set out in the Committee's order paper of 2.3.10 meeting held with the public present</i></li> <li><i>To protect personal privacy</i></li> </ul>	9(2)(a)
<i>Strategic Matters</i>		
<ul style="list-style-type: none"> <li>• <i>2010/11 draft District Annual Plan</i></li> <li>• <i>2010/11 Statement of Intent (draft)</i></li> </ul>	<ul style="list-style-type: none"> <li><i>Under negotiation</i></li> <li><i>Under negotiation</i></li> </ul>	9(2)(j) 9(2)(j)
<i>Operational Matters</i>		
<ul style="list-style-type: none"> <li>• <i>Financial Recovery Plan</i></li> </ul>	<i>Under negotiation</i>	9(2)(j)

Confirmed this 20<sup>th</sup> day of April 2010.

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Chairman