



# MINUTES      Open - unconfirmed

## TARANAKI DISTRICT HEALTH BOARD

**10 May 2007**

**Barretts Lounge**

**Base Hospital**

**David Street**

**New Plymouth**

### **Present**

Hayden Wano (Chairman), Peter Catt (Deputy Chairman), Kura Denness, Dan Devadhar, Jan Dunlop, Flora Gilkison, Tom Mulholland, Tony Ruakere and John Young

### **In Attendance**

Tony Foulkes (CEO), George Thomas (GM Finance & Corporate Services), Joy Farley (General Manager Hospital Services), Sandra Boardman (General Manager Planning Funding & Population Health), Christine Henare (Chief Advisor Maori Health), Pamela Hikuroa (PA to Board), Sue Carrington (Communication Advisor)

### **490.0 Declaration to Open Meeting**

The meeting was opened with a karakia.

### **491.0 Apologies**

Alex Ballantyne

### **492.0 Conflicts of Interest**

No new interests were declared:

### **493.0 Public Comment**

The Chairman invited representatives of Te Whare Punanga Korero to address the meeting.

Mr Peter Moeahu thanked the Chairman and the Board for the opportunity and advised he had a number of issues he wished to raise on behalf of TWPK. Before doing so he established the context in which comments were to be made by referring to report on Maori health by Dr Papaarangi Reid and Bridget Robson. Mr Moeahu quoted a passage from the report which referred to systematic disparities in almost every major disease category for Maori in comparison to pakeha.

Mr Moeahu went on to refer to examples of issues at a local level which he felt were cause for concern on this matter. These examples included the unconfirmed minutes of the Community and Public Health Advisory Committee meeting and the style of reports presented to the Board.

He also noted that the Board had adopted He Korowai Oranga, and its focus on resources being directed to areas of greatest need. In line with this Mr Moeahu sought assurances over the engagement of Maori in a range of initiatives mentioned in reports to the Board and the DHB planning and funding processes.

The Chairman thanked Mr Moeahu for his comments and before seeking a response or queries from the Chief Executive and Board members, advised that it would be difficult to respond in full on the matters raised immediately.

The Chairman also felt that it was appropriate to raise the relationship which the Board sought with Maori and in particular with TWPK. The relationship was relatively new and one, as expressed previously, the DHB considers important for building the foundation on which to move forward. The DHB had been the poorer for not having such a relationship in the past and the Board was pleased that this was being addressed. However, it takes two partners to make a relationship work and at some point in the future we would like to think we are in this together and sharing the issues and the solutions as opposed to being 'on the mat'.

With respect to the comments made regarding the Minutes, the Chairman noted that the minutes were a record of discussions and stand subject to confirmation by the Committee. The context of those Minutes related to a discussion on documents and definitions on what expenditure was deemed to be 'Maori health' expenditure.

The Chief Executive reiterated the comments made by the Chairman in respect to the minutes and advised that he was happy to meet with Mr Moeahu to clarify issues raised.

He acknowledged the inequalities which existed for Maori compared to non-Maori in terms of health status and advised that this was the challenge outlined in the DHB's strategic plan, annual plan and inequalities plan which sought to be able to improve the situation. Improvements however would take time and there were many different strands to enable an improvement to occur, with the DHB being a part of the 'big picture' in being able to make a difference. The DHB desired to work with the community and TWPK to ensure that the resources were directed correctly to achieve the desired outcomes.

The Chief Executive suggested that the matters raised could form part of further dialogue between representatives of the Board, DHB management team and TWPK with an emphasis on working on the challenges together.

Mr Moeahu thanked the Board for the opportunity to address them and advised that he would take on board the comments about partnership and stated that it was not his intention to put anyone 'on the mat' but he knew of no other way of getting attention focused on the issues raised.

#### **494.0 Minutes**

##### Resolution

*That the minutes of the Taranaki District Health Board meeting held on 5 April 2007 be confirmed as a true and correct record.*

*Catt/Gilkison  
Carried*

## **495.0 Board Committee Reports**

### 495.1 Hospital Advisory Committee

#### Resolution

*That the Taranaki District Health Board receive the unconfirmed minutes of the Hospital Advisory Committee meeting held 24 April 2007 and notes recommendations contained therein.*

*Young/Gilkison  
Carried*

### 495.2 Community and Public Health Advisory Committee

#### Resolution

*That the Taranaki District Health Board receive the unconfirmed minutes of the Community and Public Health Advisory Committee meeting held 24 April 2007 and notes recommendations contained therein.*

*Catt/Denness  
Carried*

## **496.0 Management Reports**

### 496.1 Chief Executive's Report

The Chief Executive took report as read.

- Sought feedback from the Board on whether the full monitoring reports, as provided, were of benefit.

There was varying views, with the suggestion being that the full information could be provided outside the Board report.

- Quality Health New Zealand – Accreditation feedback had been received and was subject of a report later in the agenda.
- Quality Health New Zealand was going through considerable change at the moment and the outcome of the Special General Meeting was that the organisation's ownership would change but the programmes would continue.
- National Capital Committee – awaiting formal feedback on the Strategic Stage Analysis. Informal feedback had been encouraging and positive with work continuing on planning at the local level.
- Elective Services - confirm planning had taken place in relation to the services to be provided for next year which was positive for Taranaki in terms of additional work.
- Health Trust – a report from the Chairman of Trustees was included which highlighted the benefits provided through the Trust over the past 10 years.
- Financial Forecast – DHB has been taking a conservative approach around what expect the year end result to be and only accounting for funds that we were confident would be in place by year end. On this basis the anticipated result was a surplus of \$56k. However management was aware of some potentially significant items which would be clarified in the coming months. Due to the possible significant impact the opportunity had been taken to outline the position to the Board. The unconfirmed position could result in a consolidated result of \$4-\$5.5m which would not be sustainable in terms of addressing issues discussed previously particularly around the provision of hospital and specialist services but would provide the opportunity to consider investments in strategic priority

areas and management of some issues associated with our balance sheet and ability to be able to think about how contribute to significant investments in the future such as capital investment in proposed development of base hospital.

#### Discussion

There was general discussion around the additional elective services with it being pointed out that the Ministry expected that the additional funding be prioritised on areas where the DHB was not meeting the national benchmark for discharge ratio.

It was noted that the Community and Public Health Advisory Committee had received papers outlining the priority areas and work was progressing to finalise this matter.

It was the intention to publicise the additional work once all issues had been finalised.

Board members requested clarification of the term 'close control'. Mrs Boardman advised that this referred to the length of time that prescriptions cover. Close Control was used by the GP when it was felt that greater monitoring over the care of the patient was needed to ensure for example that the medication was being taken regularly. For most patients three month prescriptions should be provided.

It was noted that some practices due to the make-up of their patients would have a higher proportion of close control than the national average.

Questions were raised regarding the Taranaki Health Trust and why the funds had not been inflation proofed. In response the Chief Executive advised that the Trust did not have a mandate to only distribute interest and preserve capital. In fact the funds represented an amalgamation of a number of smaller funds many of which were provided with the intention of being spent. The Trustees were currently discussing whether it should be looking to preserve some sort of capital base or actively distributing all of the funds.

The Chairman referred to the work undertaken by Dr Matthews as Chairman of Trustees and asked that the Chief Executive relay the Board's appreciation of his efforts at the next Trust meeting.

Board members questioned whether there was any correlation between increasing elective surgery and acute demand with management advising that this was a very difficult question to answer. Initiatives had been put in place to manage acute demand and it was pleasing to see that the contract was remaining within budget and there was indirect feedback that thresholds for elective surgery was moving to manageable levels. It should be noted that the additional funding for elective surgery was only available if the surgery was undertaken.

#### 496.2 General Manager Finance & Corporate Services

Mr Thomas took report as read highlighting

- Overall results moving right direction. DHB consolidated position was better than planned which was an improvement on previous month's result. Positive movement primarily because movement in DHB funder.
- Placing more emphasis on financial forecast and movements over next three months

- Hospital Services will come under increased pressure as we move into 4<sup>th</sup> quarter, due to increased costs from patient activity over the winter months. Financial forecast
- Current forecast based on confirmed information and shows a year we know of accounted for current forecast end year surplus \$500,000.
- Significant movements are expected in the last quarter.
- IDF – potential to move in favourable direction - \$2.5 to \$3.5m additional to current forecast.
- Maternity service claims likely to be positive \$0.65m
- DSS and community pharmaceutical expenditure expected to increase in next few months, negative \$0.65m
- If provisions made for demand driven expenses and claims do not eventuate this would result in positive impact between \$1.0-\$1.5m
- There is therefore potential to increase current DHB funder forecast surplus by an additional \$3.5m-\$5.0m.
- The Board's consolidated operating therefore has potential to be in range of \$4-\$5.5m.
- Must be noted that hospital provider will be facing considerable challenges to hold costs over the last quarter with potential for its deficit to be greater than the current estimate of \$1.675m

Discussion took place with questions being raised on why the dramatic change in IDF levels. Mrs Boardman advised that further analysis was being undertaken, but IDF figures were set based on the two years prior and the Taranaki DHB had invested considerable sums in services over the last two years which enable more complex procedures to be undertaken at Base. The result achieved this year is unlikely to be seen again in the future and therefore the gain should not be regarded as sustainable.

#### Resolution

*That the Taranaki District Health Board receives and notes the Chief Executive's Report, the report of the Taranaki Health Trust and management reports for march 2007.*

*Denness/Young  
Carried*

### **497.0 Other Business**

#### **497.1 Ministry of Health Quarterly Reporting Quarter 2 Feedback**

The report was taken as read.

#### **Discussion**

Board members referred to comments made by Mr Moeahu earlier in the meeting and noted the difficulty in collecting accurate ethnicity data but if the figures of 5.4% of workforce were Maori questioned what the DHB was doing to increase this level to achieve a fairer proportion of Maori in the workforce.

Ms Henare advised that effort was being put into recruitment and retention policies and work was also underway in Maori networks to bring opportunities which exist for employment at the DHB to the attention of Maori. She also advised that it was difficult to get Maori people to look at the opportunities

which existed within the DHB when opportunities also existed in Maori organisations.

Ms Taylor referred to the Workforce Development Fund and advised that this fund was being used to target areas which were Maori specific.

A Board member questioned why appointing Maori health providers would improve the health of Maori.

In response the Chief Executive advised that the advice and information available clearly established that there was a better chance of improving Maori health by Maori engaging with Maori in the health sector. It was noted that this was not the total answer.

The Chairman advised that to assist Board members by giving context to the issue, the paper referred to by Mr Moeahu would be made available to all Board members.

Dr Ruakere advised that he had no doubt that health of Maori would be enhanced by increasing the Maori health workforce and that good progress was being made in this area with the number of Maori doctors rising dramatically over the past 10-20 years. With the establishment of the iwi based health services they were now seeing patients who in the past did not visit a health professional. This issue was further supported by the results achieved in the Auckland area where the Asian community response to services provided by Asian health professionals saw a dramatic rise in usage.

Ms Farley added that there was excellent evidence locally on how to address barriers with the service being provided by Maori for Maori with a service under the umbrella of Te Raupani being able to reach clients which was not possible by the standard service. This had resulted in far better health outcomes for these people, they were not coming through as acute cases and were not coming to the attention of police. This was absolute evidence around investment in workforce development and how it improved health outcomes and reduced barriers for Maori.

#### Resolution

*That the Taranaki District Health Board receives and notes the report.*

*Catt/Denness*

*Carried*

#### 497.2 DHB Elections 2007

Ms Hikuroa spoke to the report which outlined procedures for the upcoming elections, including candidate information meetings, and decisions which were required to be made by the Board.

There was considerable discussion around the order for candidates names on the voting papers. A number of Board members felt that it would be preferable to have the order on a random basis rather than alphabetical to overcome any possible bias. It was noted that random would result in additional cost and also each voting papers being different which may cause confusion but it was felt that the random basis was fairer to all candidates.

An amendment to the proposed resolution was put forward.

Resolution

*That the resolution be amended to read*

1. *Determines that the voting documents returned in respect of the 2007 board elections are to be processed during the voting period.*
2. *Determines that the names of candidates by arranged on the voting documents in random order.*
3. *Appoints Pamela Hikuroa as the Taranaki DHB contact person fro the 2007 elections.*

*Denness/Gilkison  
Carried*

The Chairman declared the amendment passed and put the motion to the Board

Resolution

*That the Taranaki District health Board*

1. *Determines that the voting documents returned in respect of the 2007 board elections are to be processed during the voting period.*
2. *Determines that the names of candidates by arranged on the voting documents in random order.*
3. *Appoints Pamela Hikuroa as the Taranaki DHB contact person fro the 2007 elections.*

*Denness/Catt  
Carried*

**497.3 Accreditation Status and Report**

The Chairman congratulated the management team and staff on achieving accreditation.

The Chief Executive advised that that the report contained a copy of the executive summary of the feedback but that the full report was available to Board members on request. He was very pleased with the feedback and would have been disappointed if the DHB had not received any recommendations for improvement. Mr Foulkes noted the huge amount of effort by staff and management in achieving accreditation and advised that plans were underway to acknowledge the success.

Resolution

*That the Accreditation Status and Report be noted and received.*

*Young/Dunlop  
Carried*

**498.0 Date of Next Meeting**

The next meeting was scheduled to be held on Thursday 7 June in New Plymouth.

**499.0 Exclusion of Public**

Resolution

*That the Taranaki District Health Board exclude the public from the meeting on the basis of the following matters:*

- 1. To present Taranaki District Health Board Minutes pursuant to an earlier resolution publicly excluding the item.*
- 2. To present Committee minutes pursuant to an earlier resolution publicly excluding the item.*
- 3. To present Draft District Annual Plan 2007/08 and Draft Statement of Intent in that the public conduct of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:  
(g) enable the DHB, Board or Board Committee holding the information to carry out, without prejudice or disadvantage, commercial activities.*
- 4. To present report on Financial Loan to Allied Laundry Services Limited in that the public conduct of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:  
(g) Enable the DHB, Board or Board Committee holding the information to carry out, without prejudice or disadvantage, commercial activities.*

*Catt/Devadhar  
Carried*

The meeting adjourned at 4.10pm to reconvene at 4.30pm

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Chairman

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Date