



# MINUTES      Open - unconfirmed

## TARANAKI DISTRICT HEALTH BOARD

11 October 2007  
Corporate Meeting Room 1  
Base Hospital  
David Street  
New Plymouth

### Present

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

### In Attendance

George Thomas (Acting Chief Executive), Joy Farley (General Manager Hospital Services), Sandra Boardman (GM Planning, Funding and Population Health), Christine Henare (Chief Advisor Maori Health), Debbie Taylor (General Manager Organisational Development and Communications), Pamela Hikuroa (PA to Board), Sue Carrington (Media Advisor)

### 539.0 Declaration to Open Meeting

The meeting was opened with a karakia.

### 540.0 Apologies

Jan Dunlop (Board member), from 4.15pm  
Tony Foulkes (Chief Executive)

### 541.0 Conflicts of Interest

The following amendments to the interests were recorded:

K Denness	Trustee Te Atiawa (Taranaki) Settlements Trust
	Trustee Bayley Road Trust

### 542.0 Minutes

#### Resolution

*That the Minutes of the Taranaki District Health Board meeting held on 6 September 2007 be confirmed as a true and correct record.*

*Catt/Gilkison  
Carried*

#### 542.1 Arising From Minutes ISSP

Ms Gilkison referred to the discussion at the September meeting around the ISSP and advised that she had had a conversation with Darren Douglas over core technology and enabling technology and had been assured by him that would come through in the ISSP.

#### Stargarden

Mr Thomas advised that work was progressing on the completion of the manuals and as further system changes were taking place. Further amendments to the documentation were required. This was essentially work in progress and will remain as such during the period of upgrade and system changes.

### **543.0 Board Committee Reports**

#### 543.1 Disability Support Advisory Committee

It was noted that in accepting the Minutes of the meeting the Board was also accepting the recommendation of the Disability Support Advisory Committee regarding the Disability Action Plan and the Aged Residential Care Services report.

Ms Gilkison advised that the Committee was very positive about both reports and felt that there was a real sense of being able to move forward in this sector.

Ms Boardman advised that the Aged Residential Care Services Report recommended the development of new and innovative services for aged residential care which would better suit the needs of the local population.

#### Resolution

*That the Taranaki District Health Board receive the unconfirmed minutes of the Disability Support Advisory Committee meeting held 24 September 2007 and accepts recommendations contained therein.*

*Gilkison/Ballantyne  
Carried*

#### 543.2 Hospital Advisory Committee

#### Resolution

*That the Taranaki District Health Board receive the unconfirmed minutes of the Hospital Advisory Committee meeting held on 25 September 2007 and notes recommendations contained therein.*

*Young/Gilkison  
Carried*

### **544.0 Chairman's Report**

Mr Wano reported that he had had the privilege of attending the 2007 Health Innovations Award in Wellington with the overall winner being an initiative from South Auckland – Healthy Kai. He noted that Taranaki health sector was undertaking some fantastic initiatives and felt it appropriate for management to consider entering the awards in the future.

A suggestion was also made that management consider setting up a local competition with the winner being the entry to the national event.

## **545.0 Management Reports**

### **545.1 Acting Chief Executive's Report**

Mr Thomas took report as read, highlighting

- Elective Services -Important that the impact of the elective services on the financial results was understood and a full discussion on this matter would be undertaken later in the meeting.
- Ambulance Services – everything that we agreed to do with Central Comms implemented. Unfortunately had an incident in September which was not managed well and is subject to investigation.
- The issue of double crewing of ambulances was also being reviewed and a Health Select Committee Inquiry into ambulance services was underway and Taranaki DHB would be forwarding information.
- Regional Capital Committee had forwarded a letter of support for the Facility Redevelopment to the National Capital Committee. National Capital Committee meets in December to consider the business case.
- Confirmation received from the Ministry of Health to proceed with phase one of the Child and Adolescent Oral Health project which involved capital expenditure of \$1.3m funded by the Ministry.
- Taranaki DHB had hosted a visit from Hon Tony Ryall, Opposition spokesman on Health. Discussion had entered on the National Party's health policy discussion paper.

### **Discussion**

Full discussion took place on the report.

In response to questions concerning the Oral Health project, the Board was advised that consultation on what and how the service would look like would commence on Monday 15 October. It was expected that Taranaki would be one of the first DHB's to procure a mobile bus and the national procurement process was currently underway. Delivery was expected early next year.

### **545.2 General Manager Finance & Corporate Services Report**

Mr Thomas took report as read highlighting:

- Year to date consolidated financial result disclosed a small surplus of \$88k. Hospital Services recorded a deficit of approximately \$1m, which was offset by a surplus in funder operations.
- The deficit in the Hospital Services should be read in context with the activity currently being undertaken particularly with respect to additional elective services which were significantly ahead of budget. This amounted to approximately \$340-\$350k and left a deficit of close to \$600k which could be deemed to be core deficit.
- Ms Farley gave an in-depth explanation of the elective services position highlighting that a paper was being prepared for the Hospital Advisory and Community and Public Health Advisory committees outlining the wider issues around elective services and the effect on the financials.

- Elective services were being reported and funded differently this year:
  - Base contract with the funder which was funded through the price volume schedule
  - Orthopaedic and Cataract Initiatives funded separately
  - 10% additional elective services funded separately and included IDFs
  - Decision taken with the Funder to undertake base contract in the first six months of the year to ensure that the Provider was able to meet base contract. This would ensure that the DHB maximised the amount of elective services funding available and minimise the risk to the DHB, as the funding for the additional elective services was not able to be claimed until the base contract had been completed. If this issue was not managed well, it could result in the DHB not receiving funding for work which had been undertaken.
  - The main risk to the DHB was around IDFs but robust processes had been put in place to monitor the position.
  - Mr Thomas advised that notwithstanding the risk around elective services the report signaled that Hospital Services were facing a very challenging year.

#### Discussion

Questions were raised regarding Kiwi Saver and the uptake by staff. Mr Thomas advised that at this stage the uptake by employees was not large but it was expected to increase from 1 April 2008 when the employer contribution came into force.

Discussion took place on the continuing deficit position with it being noted that the clinical vacancies would continue into the future requiring employment of locums and whether this position should be taken into account in the budget. It was noted that shortage of doctors was an international issue and one which would continue for the foreseeable future.

Ms Farley advised that application of some of the options was constrained by the funding envelope. However, moving forward there was the requirement to look at different models of care and how services were provided. The new facility would give the opportunity to change work practices and work was underway to implement new models of care. The full benefits of these changes would not be seen however until the new facility was developed.

Mrs Boardman also noted that the Funder currently provided sustainability funding to the provider over and above national prices and agreed with the comments that changes to the models of care was essential to ensure the sustainability and financial viability of the service.

Board members also questioned whether the DHB should be endeavouring to influence policy in regard to funding for DHBs particularly in the area of remuneration for highly skilled clinicians or suspensory loans for junior doctors who remained working in the New Zealand health sector.

During discussion it was noted that remuneration was not the only factor and Taranaki DHB was working with Senior Doctors on ways of attracting junior doctors to the province by providing career path opportunities, such as opportunities to work in ICU.

In summary the Chairman noted that the Board clearly shared the concern of management around staff retention and good work was being undertaken in this area within the budget constraints.

Resolution

*That the Taranaki District Health Board receives and notes the Chief Executive's Report and management reports for August 2007.*

*Gilkison/Mulholland  
Carried*

**546.0 Other Business**

546.1 Information Systems Strategic Plan

Darren Douglas, ISSP Project Director (HIQ) joined the meeting.

Mrs Boardman, ISSP Project Sponsor (TDHB) did a presentation on the ICT Strategic Plan:

Principles –

Information/Community Technology Principles –

- Business enabler
- Must deliver value for money and make best use of resources available
- Business objectives drive ICT investment
- Systems and processes to be simple and standardised
- Technology systems and processes to be applied enterprise wide and across stakeholder groups wherever possible
- Systems and information to be integrated
- Business value from ICT investment to be driven through collaboration

Roadmaps

Plan broken into various sections -

- Access to Patient Information
- Clinical Workflow
- Wellness
- Health Provider Productivity
- Compliance
- Enterprise Content Management
- Web Strategy
- Business Intelligence
- Quality
- Productivity tools
- Technology
- Identity Management
- ICT Service management

Affordability

Financial profile –

2007/08 \$4.140m

2008/09 \$3.3m

2009/10 \$4.2m

Planned capital outlay was \$2m per annum

Require projects to be prioritised to ensure available funding used wisely

Criteria used will be cost, capacity, return on investment, service impact and legal/safety/risk considerations

#### ICT Governance Structure

Prioritisation Committee established under Chairmanship of General Manager Finance and corporate Services

Responsible to monitor and manage ICT risk, review all ICT requests for ISSP alignment, prioritise initiatives each year to ensure best use of available funding.

#### Discussion

Noted that this was a critical piece of work for the DHB with significant investment required.

Board also noted that considerable change management would be required to implement the ISSP.

In response to questions around collaboration and efficiencies through economies of scale, management advised that with the joint venture the opportunity was available to link in with initiatives being undertaken in both the Midland and Central regions and also through national initiatives.

Dr Mulholland (Chairman HIQ), speaking as a DHB Board member, felt that the DHB should also be proactive in discussions with the Minister around requests for additional funding to cover the costs in implementing the initiatives.

Discussion also took place on whether funding would be provided to enable the NGO sector to be able to integrate with the DHB system. Mrs Boardman advised that funding would only be provided if it linked into a strategic initiative, eg chronic disease management.

#### Resolution

*That the Taranaki District Health Board receive and approve the TDHB Information Services Strategic Plan 2008-2010.*

*Wano/Gilkison  
Carried*

#### **547.0 Next Meeting**

The next meeting was scheduled to be held on Thursday 8 November in Hawera.

#### **548.0 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 receive recommendations from the Finance Audit and Compliance Committee in relation to:  
Draft 2006/07 Annual Report and Financial Statements  
Internal Audit Arrangements*

- (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 Pathology Services Contracts 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.*

*Denness/Gilkison  
Carried*

The meeting adjourned at 4.15pm to reconvene at 4.25pm.

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Chairman

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Date