



HOSPITAL ADVISORY COMMITTEE

MINUTES – PUBLIC - Unconfirmed

Tuesday 24 April 2007

10.00am

Corporate Room 1

Base Hospital

David Street

New Plymouth

Present

John Young (Chairman), Dan Devadhar, Jan Dunlop, Flora Gilkison, (Board members), Brian Jeffares, John Doran (Co-opted members).

In Attendance

Peter Catt (Board Member), Tony Foulkes (Chief Executive), Joy Farley (General Manager Hospital Services), George Thomas (General Manager Finance & Corporate Services), Sandra Boardman (General Manager Planning, Funding & Population Health), Sue Carrington (Communication Advisor), Pamela Hikuroa (PA to Board)

378.0 Declaration to Open Meeting

The meeting was opened at 10.00am with a karakia.

379.0 Apologies

Hayden Wano (Board member) – attending National Capital Committee meeting, Kura Denness
John Doran for lateness

Resolution

That the apologies be sustained.

*Gilkison/Jeffares
Carried*

380.0 Conflicts of Interest

No new interests were declared.

381.0 Presentation – Laboratory

Ms Farley introduced Gloria Crossley, Laboratory Manager, to the Committee and advised that Ms Crossley would be giving a presentation on laboratory services. It was also noted that at a future meeting a presentation would be provided on Radiology diagnostics.

Ms Crossley gave a presentation on Laboratory Services and outlined the challenges facing the service.

Noted that the service in Taranaki was excellent. The DHB Laboratory also worked collaboratively with the private provider MedLab to ensure that the best possible service was provided for the people.

Challenges facing the service -

Outlined the various areas of the Laboratory and an overview of the costs of equipment and consumables.

Noted advances in technology had led to increased efficiency, increased demand for tests and this had led to the provision of continually evolving higher quality tests and high expectation of the types of service provided by the laboratory to Clinicians and patients.

Tests available now helped to diagnose conditions before they became apparent. These tests can be used as population screening but before proceeding need to have a cost/benefit analysis and assurance that support mechanisms are put in place.

Total number of tests have not changed greatly over past 3 years but the type of tests undertaken have changed and they are more expensive

Laboratory did not wish to shift the costs of tests to other departments and maintains an overview of all testing undertaken in the DHB.

Public demand is continuing to increase and there is an expectation of the best service regardless of whether it can be afforded by society

TDHB had an excellent primary community laboratory and an excellent secondary hospital laboratory

Laboratory Service Providers are required to continually review provision and cost of service to the DHB

Taranaki MedLab and LabCare work together to provide laboratory services to Taranaki

Will continue to work smarter

All sectors in health must work together to ensure we are able to create efficiencies to reduce costs wherever possible

During discussion the question was raised as to whether the Laboratory Service had a succession plan. Ms Crossley advised that laboratory services nationally were facing staff shortages but felt that Taranaki was fortunate that the DHB had supported laboratory services. Locally the relationship between Medlab and LabCare was very close and services within the province were maximised and this allowed us to recruit and retain staff. The LabCare Board, prior to the service coming back under the DHB provider, had worked extremely hard to ensure a good working environment and culture and the policy of flexible hours enabled staff to work shifts which suited their personal situations was a factor in being able to retain and recruit staff.

The Chairman thanked Ms Crossley for her presentation.

382.0 Minutes

The Chairman advised that at the Taranaki District Health Board meeting in April, Ms Denness had noted that the unconfirmed Minutes did not reflect the tone of her comments in regard to the deficit. As a result the minutes presented for approval by the Committee had been amended to clarify this matter.

Resolution

That the Hospital Advisory Committee resolve to accept the minutes of the meeting held on 27 March 2007 as a true and correct record.

*Gilkison/Dunlop
Carried*

382.1 Matters Arising

Ms Farley advised that Human Resources were continuing with their work to see what benefits could be obtained from the surplus UK doctor situation and recruiting if possible.

383.0 Management Reports

383.1 General Manager Hospital Services

Ms Farley took her report as read and highlighted the following:

- Continued industrial activity from laboratory and radiologist, although not a direct impact on the DHB, has indirect impact in terms of overall planning across the sector.
- Activity Report – highlighted quarterly report variances across case mix and non-case mix which falls outside the 5% variance margin.
- Elective Service Delivery
- 5% additional elective surgery delivery now in full swing
- Received advice that allocated approximately \$240,000 additional for elective services to be undertaken this year. Agreed with funder that this additional sum will be allocated based on criteria used for 06/07 year.
- Due to tight timeframes to complete the additional surgery may require us to sub-contract this work out to private sector. This is consideration. The funding will not have a material effect on our forecast for the remainder of the year.
- Moving forward for 07/08 a robust process has been put in place with Planning and Funding for allocation of additional elective services funding. Funder outlined key areas for allocation based on strategic priorities contained with the strategic plan and this will be presented to the next Community and Public Health Advisory Committee meeting for endorsement.
- Forecast
- Noted that Hospital Services at the commencement of the financial year had a cost of funding gap of \$2.3million with a further \$1.1m of additional risks identified.
- The current forecast position for year end was a deficit of \$1.6 million.
- Work would continue to achieve savings.

- Health and Disability Commissioner
- Ms Farley drew the Committee's attention to the enquiry undertaken by the Health and Disability Commissioner on an incident at Capital and Coast. TDHB along with other DHBs, had been requested to review systems and processes and provide a report to the Commissioner. This report was being prepared with the assistance of the Director of Nursing and Chief Medical Advisory and updates would be provided to the Committee in due course.

Discussion

The Committee expressed disappointment that the full 5% additional funding for elective services had not been approved. It was also noted that for this financial year a pragmatic approach had been taken on where the surgery would take place to enable the opportunity to be taken for greater access to elective services for Taranaki people. In the longer term, the 10% additional funding will be incorporated into our base line and the DHB will have to address capacity issues to ensure that the increased elective surgery was sustainable.

Discussion also took place around any quality issues if the work was undertaken in the private sector. The Chief Executive advised that as the DHB would be arranging for the delivery of the surgery for Taranaki people we would take some responsibility but the work would not be offered to private providers unless we were confident that they were appropriately certificated and/or accredited.

Discussion took place the variance for older people being noted. Ms Farley noted that this arose from the inability to recruit geriatric staff. Every effort is being made in this area.

The increased workload through ED was also noted and Ms Farley advised that this issue was the subject of the After Hours Strategy which had been led by the Planning and Funding Team. The DHB was awaiting feedback from the Ministry on this matter. As highlighted in the strategy, there were a lot of issues around where and how people accessed after hours care, people's perceptions and people wanting access to diagnostics, changes in GP after hours service, and in some cases cost, which was driving the increased volumes through ED. A solution to this problem would be difficult and there was no simple answer. Committee members noted that this was a cost for which the hospital did not receive additional funding.

Considerable discussion took place on the deficit position with it being noted that the additional information around the identified risks had been provided to at the request of committee members in an endeavour to provide context to the forecast position.

There was a general discussion on inter-district flows with it being noted that the information on hand suggested that inflows into Taranaki had remained constant but the number of Taranaki people being sent to other centres for treatment had reduced significantly. The Ministry was expected to be in a position to provide accurate information on IDFs in June.

Further discussion took place on the deficit position and how much longer such a position could continue. Mr Thomas explained that the hospital services deficit would be consolidated into the DHB's accounts and offset against any surpluses in the funder and governance arms. However, while

the hospital continued to record deficits the ability for the DHB to invest in strategic areas was very limited. As indicated previously, the current situation was not sustainable and was one of the driving issues for the redevelopment of facilities at Base hospital.

In response to a query on how the Hospital Advisory Committee could assist in this area, it was noted that the DHB Board was responsible for the setting of the budgets with the Advisory Committee overseeing the results of Hospital Services. It was noted that the Hospital was required to pick up a number of costs, eg additional costs through ED, for which additional funding was not provided and would no doubt have a marked impact on the deficit.

The Chairman also noted that the cost of funding gap at the beginning of the year of \$2.3 million had been reduced to a \$1.6 million deficit and felt that management were to be commended on the work undertaken to achieve the savings.

Questions were also raised on whether the increased revenue had resulted in a return to the DHB or had merely increased costs. Management assured the Committee that all new projects, contracts or initiatives made a provision to overheads and were only accepted if a positive return was able to be achieved.

383.2 QA/Risk Manager's Report

Ms Kemp took report as read highlighting

Advice had been received that the TDHB had achieved accreditation for a further three year period. A full in-depth analysis had not been undertaken at this stage, but it was noted that in 2003 179 recommendations had been received whereas this report contained 52 recommendations.

Patient complaints – Health and Disability Commissioner's being receiving on six monthly basis. TDHB has had one complaint which shows that the DHB has a good process in place for dealing with complaints.

Emergency preparedness – focus has been on preparation for Exercise Cruickshank which is to be held over 4 days in May (10, 16, 18 and 23 May). The exercise will also involve community health providers and Civil Defence and will take place nation wide.

Smokefree – Ministry intends funding a full time equivalent position from 1 July.

Resolution

That the Hospital Advisory Committee note and receive the management reports.

*Gilkison/Doran
Carried*

384.0 Work Programme 2006/07

Resolution

That the Hospital Advisory Committee note the workplan for 2006/07.

*Gilkison/Dunlop
Carried*

385.0 Next Meeting

The next meeting is scheduled to be held on Tuesday 29 May in New Plymouth.

386.0 Exclusion of Public

Resolution

That the Hospital Advisory committee resolve to make this resolution in reliance on Schedule 4, clauses 34 and 35 of the New Zealand Public Health and Disability Act 2000 and the particular interest or interests protected by clause 34 Schedule 4 of that Act or section 5 or section 7 or section 9 of the Official Information Act 1982, as the case may require which would not be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

1. *To present Hospital Advisory Committee Minutes pursuant to an earlier resolution publicly excluding the item.*

*Dunlop/Devadhar
Carried*

The meeting adjourned at 11.35am to reconvene at 11.40am.

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Chairman

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Date