

Minutes of the Meeting of the Members of the  
Counties Manukau District Health Board  
Held at Counties Manukau District Health Board, 19 Lambie Drive, Manukau City  
Tuesday 21<sup>st</sup> December 2004 at 1.15pm

Present: Mr Pat Snedden, (Chair) Mr Arthur Anae; Mr Donald Barker, Mr David Collings, Mr Paul Cressey, Mrs Jillian Dooley, Mr Ross Keenan, Mr Bill Mudgway; Mr Bob Wichman

In attendance: Mr Stephen McKernan, Mr Chris Mules, Mr Ron Pearson, Ms Elisabeth Harding, (Board Secretary)

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**1. Welcome and apologies**

The Chair welcomed members of the Board and one member from the media to the meeting which opened at 1.15 pm. There were no apologies.

**2. Ratification of previous minutes (9<sup>th</sup> November 2004)**

**Resolution:**

The minutes of the meeting of Board held on Tuesday 9<sup>th</sup> November 2004, having been circulated, were taken as read and confirmed.

**Moved, Ross Keenan, Seconded, Bob Wichman, Carried Unanimously**

**3. Matters arising**

- Board secretary to circulate responses from territorial authorities regarding the distribution of votes.
- Letter to be sent to the Ministry reflecting the concerns around the recent elections
- PHOs: Chris Mules outlined the work being undertaken by the independent consultants with regard to the role of DHBs in supporting PHOs. Their report is expected in March.
- Whanau accommodation: This issue is being reviewed along with facilities for Pacific people as part of the second tier of services being considered under FMP II. The Chair requested to see the Whanau accommodation.

**Resolution**

The Board moved a vote of appreciation for Maxine Moana-Tuwhangai, Airini Tukerangi and Juliet Walker for their work on the Board over the past three years. Ross Keenan will write to each of these people to thank them for their contribution.

**Moved, Paul Cressey, Seconded, Ross Keenan, Carried unanimously**

**4. Procedural issues**

***Dates of Board and Committee Meetings for 2005***

The dates are now confirmed for 2005 with the exception of the August Board meeting. Pat Snedden requested Members to consider moving the August Board meeting from Wednesday 3<sup>rd</sup> August to Monday 1<sup>st</sup> August 2005.

***Committees: transitional arrangements***

The paper was noted and the transitional arrangement agreed. It is intended that the new Committees will be in place for the March Committee meetings.

The current composition of the Board committees was discussed. Representation and number of members varies depending on the committee. In the past, one of the roles of the Committee Chair was to consider representation and then seek Board approval. In the meantime Pat Snedden will talk to Manawhenua, and the Maori Board members once appointed, regarding committee representation. Arthur Anae was asked to consider representation for the Pacific Health Advisory Committee, Paul Cressey was to address the CPHAC membership and Don Barker to look at HAC membership.

It was noted that currently there is no consumer representation on the HAC. There was brief discussion regarding the inclusion of a public health representative on CPHAC. Similarly the inclusion of representation from the Asian community was considered.

Board members were requested to consider the issue of representation so that a pool of potential representatives could be established. Names will be put forward to the Board for approval of appointment following consideration by the committees.

The members noted their own interests as follows:

- David Collings: CPHAC. HAC; Finance and Audit
- Bob Wichman: CPHAC. HAC
- Jillian Dooley: HAC; DiSAC
- Arthur Anae: HAC; PHAC
- Paul Cressey: CPHAC; HAC; Finance and Audit
- Don Barker: CPHAC; HAC
- Bill Mudgway: HAC; DiSAC; Finance and Audit

## 5. Chief Executive Report

The report was noted. Key issues:

- Forecast elective volumes are expected to be delivered. Historically volumes pick up after the Christmas period. For background information members were advised that the only volume related area within the provider arm which can be controlled is the level of elective surgery provided. To control overall surgical volumes (elective and acute) where there has been a greater than forecast demand for acute surgery, these volumes could be offset against elective surgical volumes, reducing elective surgery to ensure volumes are not exceeded. However, the Board has made a conscious decision not to reduce elective surgery even if acute surgical demand is over forecast volumes. In the last financial year greater than the forecast volumes of acute and electives surgical procedures were provided. There was no additional funding for the extra volumes and the costs were absorbed within the provider arm. This achievement was acknowledged by Arthur Anae.
- Accreditation: Stephen McKernan noted that he had recently been notified that CMDHB has been awarded the highest level, three years accreditation, following Quality Health NZ's survey earlier this year. The final report is awaited and once reviewed a statement for the media will be drafted.

### ***Funding envelope***

Copies of the presentation were distributed to members.

The Chief Executive provided members with an overview of the population based funding formula (PBFF) and the issues around inter district flows (IDF) where a patient domiciled in one DHB region receives services from another DHB.

The funding envelope, recently provided, sets out the Ministry's funding for CMDHB for the 2005/06 financial year. Management is currently reconciling the funding envelope against what was anticipated, undertaking further analysis and looking at the IDF volumes. The main difference is the impact the proposed IDF volumes will have on the increase in funding for 2005/06. This in turn will impact on the development of the annual plan as priorities are assessed.

To date the approach to managing IDF volumes has been to estimate the planned volumes. If there is provision of services greater than the estimated volumes, then the provider DHB carries the cost, if there is an under-provision, the provider DHB keeps the funding. It is possible in the future that there will be a wash up regarding the under and over-provision of services related to IDFs.

A more detailed analysis will be provided at the Board Planning day in January.

### ***Meningococcal update***

Dr. Jane O'Halloran from the Ministry of Health was welcomed to the meeting at 2pm. Dr O'Halloran had asked to attend the Board meeting to celebrate the success of the meningococcal campaign and to particularly thank Stephen McKernan and Nettie Knetsch, GM Women and Child Health for their leadership. To date the campaign has reached 90% coverage for the under 5s and school based programmes. This is due to the significant commitment from CMDHB which prioritised this programme and allocated senior staff to the task. Others around the country are looking at the CMDHB experience. Different members of the team were identified and specifically acknowledged for their roles.

The critical success factors identified were:

- Safety and efficacy of the vaccine ensuring providers had confidence in the vaccine. The second safety report was released 21<sup>st</sup> December 2004 providing further confidence about the safety of the vaccine.

- Low refusal rate of the vaccine, indicating the competence of the practitioners in explaining the vaccine to parents and the young people.
  - Use of additional clinics outside of normal working hours.
  - The support of the teachers and school principals with regard to the school based programme.
- Stephen McKernan responded acknowledging the work of the staff involved and their commitment and, in particular, the work of Dr Diana Lennon who drove the need for the campaign from the outset. The way the sector has responded was also acknowledged and in particular how the provider arm and primary sector has worked together, never losing sight that the aim of the campaign is to save children's lives. This campaign was also a success for the Ministry and Minister.

There was a brief discussion regarding how the level of vaccination under this campaign compares to other immunisation rates. Reference was made to Kidslink which has sought to improve vaccination and well child checks in the CMDHB region. It was noted that when children attended for their Meningococcal vaccination, this was also used as an opportunity to catch up on other immunisations.

#### **Chief Executive Report (cont.)**

- Update on provision of breast screen services for women: There will be additional funding outside of the PBFF. The intention is to reach 70% of the eligible population. A strategy will be developed around targeting this group of women, including looking to utilise the mobile screening facility.

#### ***Correspondence***

The correspondence is provided for information.

Population projections: it is important for the MOH to recognise the actual populations. This projection is revised each year and is reflected in the growth component of the funding envelope.

Mental health allocations: Management is seeking clarification from the Ministry about how this 'ring-fenced' funding fits within PBFF.

#### ***Planning and Funding***

- Oral health plan will be presented at the February Board meeting. Historically the provision of oral health services has been fragmented. There is a current pilot being undertaken which is seeking integration between the various dental services.
- Health of Older People: The Government has announced more funding for aged residential care providers with targeted funding to be provided through DHBs. There are outstanding issues around the funding for 2003/04 and 2004/05. These issues are around supply and demand. The situation in Counties Manukau is that there is a good mix of residential care and home based services with not an over reliance on residential care. This will enable a planned approach with regard to supply in the future. It is possible that there could be an under supply in the future. In contrast in the ADHB region there is an oversupply of residential care. In the short term there is some recognition through IDF that some older people move from CMDHB to the ADHB region. However, if someone moves to the ADHB region, CMDHB is responsible for the first three months before the person is considered to be domiciled in the ADHB region.

#### ***Financial Performance***

- A revised forecast will be presented to the February Board meeting. This will be used as a base for 2005/06 planning.
- The variances are within overall budgeted costs, the key challenge is to manage fluctuations on a monthly basis.
- The key cost driver is people costs. FTE costs represent two thirds of the costs in the provider arm and work has been undertaken to ensure better management of FTE reporting with this being a critical focus in monthly reviews with GMs.
- Where volumes are below the internally contracted level, revenue is held back and released as volumes are achieved. The key area is the elective volumes. The revenue is held back as a measure to ensure the delivery of elective surgery. CMDHB is accountable to the Ministry and although the Ministry does not take back funding for underperformance, explanations need to be provided. If it is planned there should be a reduction in volumes provided this becomes a

prioritisation issue. Further information will be provided as part of the Board planning day in January.

- Noted that adult acute medical volumes are only 1.1% greater than this time last year which is less than population growth and indicative that the primary care initiatives are working.
- Impact of pay increases is carried by the services. However, the nurses' settlement is different as this is categorised as a pay jolt under the pay equity umbrella with significant additional funding being provided to the DHB sector outside of the funding envelope.
- Holidays Act: There is an expectation that the Ministry will compensate DHBs for the costs related to the legislative changes. Treasury is currently reviewing calculations submitted by the Ministry of Health. The planning assumption is that from 2004/05 this would be funded.
- There is currently a strong cash position enabling the funding of the facilities modernisation programme assisted by private debt (or through the Crown Funding Agency) at a rate of 6-7% rather than having to seek equity funding which would be at a rate of 11%.

Board members took a 5 minute break at 3pm.

- ***Meningococcal B update***

Further information distributed to members. It is expected that the public nursing teams will be involved through to March next year. The under 19 years campaign begins in early 2005.

- ***Diabetes update***

There will be a presentation of the Diabetes Plan at the February Board meeting.

## **6. Greater Auckland Cooperation**

Ross Keenan provided background regarding his role as deputy chair of the three Auckland region DHBs and outlined the terms of reference. The role is about maximising efficiencies, building on the collaboration gains made to date and making sure that the Minister is well informed of these gains. Mr Keenan will report directly to the Minister of Health and indirectly to the Minister of Finance. It was also important that the Auckland region DHB Boards were informed. A monthly meeting of the Auckland region Chairs and Chief Executives has been set up which Ross Keenan will Chair. During this meeting there will be an update on the regional efficiencies programme.

It was noted that the three DHBs work very differently. Ross Keenan considers it his role to act as the conduit to close some of the gaps by looking for alignment and identifying areas where things should be done regionally. The three DHBs are expected to put in place processes to deliver \$10m savings due to efficiencies in the current year.

There will be a regular Board agenda item for a regional report back to the CMDHB Board.

## **7. Community and Public Health Advisory Committee**

The minutes were noted.

- ***Needs development service coordination***

This is a priority initiative which has already been considered by EMT and CPHAC.

Home based support is about keeping people out of residential care. The greatest barrier is the workforce shortage. A wider policy issue was highlighted where family members stay home to look after a family member. Although there is provision under carer support to give family care givers a break from providing care, there is no funding for family members providing care.

### **Resolution**

The Board supported

- The resourcing of an additional 3.0 FTE Needs Assessors and Service Coordinators to meet the demand for the service,
- The re-configuration of the CMDHB NASC service to meet the service requirements for the devolved and identified client group.

**Moved:** Paul Cressey; **Seconded** Bill Mudgway **Carried Unanimously**

## **8. Hospital Advisory Committee**

The minutes were noted.

## **9. Disability Support Advisory Committee**

## **10. Maori Health Advisory Committee**

Memorandum from Airini Tukerangi and Maxine Moana-Tuwhangai was noted.

**11. Pacific Health Advisory Committee**

Mental health and addiction plan was noted.

Moved by Don Barker/Paul Cressey that the public and media be excluded from the update, Chief Executive's report, facilities update and the regional cooperation update (OIA s 9(2)(i), Standing orders Schedule 2 cl 2(g)) to enable the carrying out of commercial activities. The motion was carried unanimously.

The meeting reopened to the public at 4.40pm

**16. General Business**

There was no general business

The meeting was closed at 4.40pm.

The next meeting of the Board will be Wednesday 2<sup>nd</sup> February 2005 with the venue and time to be confirmed.

Signed as a true and correct record on the 2<sup>nd</sup> day of February 2005

Chair                      Mr Pat Snedden

The minutes of the meeting of the Counties Manukau District Health Board of 21<sup>st</sup> December 2004 are approved.

Recommendation (moved Bob Wichman/seconded Ross Keenan)