



HOSPITAL ADVISORY COMMITTEE

MINUTES – PUBLIC - unconfirmed

Tuesday 27 January 2009

10.00am

Corporate Meeting Room 1

Base Hospital

David Street

New Plymouth

Present:

Peter Catt (Chairman), Kura Denness, Karen Eagles, Jenny Nager, John Young (ex officio) (Board members), Jan Dunlop, Brian Jeffares, Peter Moeahu (co-opted members)

In Attendance:

Flora Gilkison (Board Member)

Tony Foulkes (Chief Executive), Joy Farley (General Manager Hospital Services), George Thomas (General Manager Finance & Corporate Services), Anne Kemp (QA/Risk Manager), Sandra Boardman (General Manager Planning, Funding & Population Health), Gavin Woolley (General Manager Human Resources & Organisational Development), Pamela Hikuroa (PA to Board), Sue Carrington (Communications Advisor), Rosemary Clement (Clinical/Ambulatory Service Manager), Lee McManus (Outpatient Service Manager), Steve Chapman (Hospital Services Business Manager), Warwick Gilchrist (Service Planner).

458.0 Declaration to Open Meeting

The meeting was opened at 10.00am.

459.0 Apologies

Dan Devadhar, Grant Knuckey, Nic Boheimer

460.0 Conflicts of Interest

The Register was circularised for updating by members, with no new interested being declared.

461.0 Minutes

Resolution

That subject to the following amendments:

Page 3 delete 30 June 2008 and replace with 30 June 2009

Page 5 Management Reports – Amend to read

*Highlight increased radiology with **callouts for MRIs highest on record***

the Hospital Advisory Committee resolve to accept the minutes of the meeting held on 26 November 2008 as a true and correct record.

*Nager/Eagles
Carried*

461.1 Arising From Minutes

Committee members questioned whether the current economic conditions changed the view on interest rates being incurred by the DHB. Mr Thomas advised that the current rates remained very competitive but advised that at the end of the current term interest rates would increase.

Discussion took place around the increased radiology costs with questions being raised as to whether the increase in MRI scans were the result of complexity of patients illnesses or being over-used. Ms Farley noted that the Minutes referred to increased callouts for MRI scans in particular and advised that clinicians were very conscious of best practice clinical guidelines and ensuring that all appropriate steps were taken and the increase was also an indication of community expectations. Dr Doran also advised radiology was one of the fastest developing services with interventional radiology not practiced five years ago and was an area which would inevitably increase.

Ms Farley also commented that although the costs were increasing in this area there was a very good argument to be made that downstream costs were reduced because a diagnosis was made earlier and the patient discharged with a plan of care, however it was difficult to capture the improved outcome for the patient.

462.0 Chairman's Report

462.1 Draft Work Plan 2009

The Chairman referred to the Draft Work Plan and advised that additional presentations would be added during the year.

Clarification was sought around progress reports on the facilities redevelopment and whether the change of Government would have any impact on the redevelopment. The Chief Executive advised that support for the redevelopment outlined in the DHB's business case not been questioned by the new Government and we had no indication that this would change and work was progressing on that basis. Progress reporting on the redevelopment would be to the Board with the intention to provide regular updates to the Committee on progress.

Resolution

That the Hospital Advisory Committee note and receive the Workplan for 2009.

*Jeffares/Nager
Carried*

463.0 Management Reports

463.1 General Manager Hospital Services

Ms Farley introduced members of her management team to the Committee.

Ms Farley took report as read and highlighted:

- Hospital extremely busy along with the Emergency Department
- Noted that number of programmes commenced, eg Before School Checks, as from a management perspective these had been taken on without any increase in staff.
- Activity in December very busy although significant drop off in January. In process of putting together report around Hawera ED for the February meeting.
- Financial Summary –
- Working to undertaken why FTE costs fluctuating.
- Work undertaken around manage of sick leave has had positive result in sick leave down.
- Out sourced services, two components personnel services – locums and outsourced clinical services. Both radiology and laboratory are trending above budget. Patient Care is driving all cost lines.
- Oncology drugs pose challenge for the service. First year where system being run through HealthPac and working with Planning and Funding to ensure our estimations are correct for next year.
- Note Herceptin estimated \$1.6m cost to the DHB, with assumption Government funding would cover all, though could be some indirect costs to the hospital.
- Forecast remains unchanged but under threat to worsen if current activity levels continue.
- Electively and acutely well ahead of casemix activity and under normal circumstances because so far behind around elective activity move back in line with production plan discussing with Planning and Funding
- Plan for the additional elective activity was for a significant proportion to be undertaken at tertiary centres. Currently significant under delivery and if this continues will put at risk DHB receiving funding for the elective work already undertaken. Seeking confirmation from tertiary providers to find out year end position for activity delivery for us and will be discussing with Planning and Funding how we can make up the shortfall to ensure capture the revenue.
- Quarterly update provided on Projects
- Clinical Director for Mental Health recruited.

Discussion

Discussion took place around the activity level in the hospital with Ms Farley advising that the seasonal fluctuation was not as marked as previous years,

particular in paediatric medicine. From a hospital perspective it has been an extraordinarily busy six month period with the complexity of patients also being a factor.

Discussion took place around renal services and Ms Farley advised that the resignation had been received from the Renal Physician. The DHB was planning along with other DHBs in the Midland region for a regional service to ensure a service was run on a sustainable basis.

Questions were raised concerning the case management role for ED and Ms Farley advised that the position had received support from the Prioritisation Panel. The General Manager Planning and Funding advised that the support provided was subject to funding availability and no funding was available at present.

In response to questions concerning the Hawera in-patient figures, Ms Farley advised that these had been included for the first time but it was important to be careful in how the figures were interpreted. Occupancy was far lower due to the small unit, but a minimum staff was required to man the unit.

Questions were again raised as to why the costs in the budget were spread evenly when in practise the costs did not fall on an even monthly basis. Mr Thomas advised that a number of cost lines had been phased with respect to activity taking into account the previous years experience but the activity experienced this year had been exceptional. He agreed that further refinement was required and work was progressing in this area.

The Chairman questioned whether the funding the DHB would receive for Herceptin would cover the costs involved. Mrs Boardman advised that the Ministry would be reimbursing the DHB for the costs on a fee for service basis. Mr Foulkes advised that at this stage it was unknown whether the indirect costs incurred by Hospitals would be completely covered by this funding and was an issue to flag for the future.

463.2 Quarterly Project Update

General discussion took place around the quarterly report on the projects with Committee members seeking clarification of the 'Toyota Methodology' System. Mr Gilchrist gave an overview of the system noting that the system was based on the internal culture of the organisation to reduce waste, improve productivity and work towards the goals of the organisation. The methodology could be transferred into a number of setting with health being one, and considerable work had been undertaken in the United Kingdom and Australia to use the system to improve the pathways of patients.

Questions were raised around self-harm/suicide attempts with Ms Clements advising that the project involved ED and the Mental Health Service to improve assessment times and follow-up treatment for patients who present to ED with a self harm or suicide attempt. Data collected would also be forwarded to Wellington for analysis and comparison. The project has also resulted in improving relationships with ED and Mental Health not just for that particular cohort of patients but all mental health patients.

Questions were raised as to whether suicide and self-harm were increasing with Mrs Boardman undertaking to provide figures in due course.

Acute Pathway for Patients

Mr Gilchrist in response to a question around transfer of patients from Central and Coastal Taranaki, advised that this project was centred on transfer of patients from Hawera Hospital and how to improve efficiencies and deliver more effective pathways of care and improving the hospital based service. The After Hours Project work being undertaken by Planning and Funding addressed other areas.

463.3 Quarterly Report Human Resources

Mr Gavin Woolley, General Manager Human Resources and Organisational Development was introduced to committee.

Mr Woolley took report as read and highlighted following:

- From organisational development perspective DHB running broad range of clinical and non-clinical training programmes.
- DHB had very strong work/life balance approach which was very helpful in improving staff morale, recruitment and retention.
- Key indicators show stability of staffing is improving with turnover being 2-3% below national average. Too early to attribute to economy but certainly favourable indicator and some of this trend has to be attributable to the programmes that have been put in place over the years.
- Early February the Director General of Health sponsored commissions, RMOs and SMOs, will be visiting for discussions with management and clinical staff.
- Currently reviewing policies and procedures.

Discussion

General discussion took place with questions being raised on turnover of staff and whether the hospital's turnover at 10% was higher than other industries in the province. Anecdotally 10% was high for Taranaki but not for the sector, and it was noted that there was considerable interchange between the hospital sector to primary sector and resthomes and therefore the staff was not being lost to the sector as a whole.

With respect to Hawera, nursing positions were currently being advertised and an on-going advertisement was in place for doctors. The Community Committee which focused on recruitment was broadening their activity to also look at GPs and how the Hospital and the primary sector could work together on employment issues. It was noted that the filling of vacancies was an on-going challenge particularly for Hawera.

Reference was made to recent newspaper comments on the disestablishment of junior doctors at Auckland and whether this was an intention for Taranaki DHB. Ms Farley advised that this was not the intention and referred to a project being led by the Chief Medical Advisor, Dr Doran, around improving rosters for junior doctors. Junior Doctors as part of their employment were involved in training programmes but were also required to provide service delivery and the project was looking at how to staff the hospital differently at certain periods of the day which would benefit both parties.

Dr Doran confirmed that there was no intention to reduce the number of junior doctors but there was a desire to have the system work better.

463.4 QA/Risk Report

Ms Kemp, QA/Risk Manager, took report as read highlighting:

- Notification from Ministry of continuing certification for 3 years
- Received draft accreditation report with recommendations and that is in line with summation information received at the time.
- Six monthly Health and Disability DHB report received. Taranaki DHB rate of complaints is lower than national average.
- From health and safety perspective November/December no staff required rehabilitation for work accidents,
- 2008 public release of Serious and Sentinel Events for financial year 2007/08 would be made mid February. Full report would be reviewed by Finance and Audit Committee at their February meeting.

Discussion

General discussion took place with clarification being sought in respect of the Health and Disability Commissioner's report. Management advised that the 'no action' comment did not mean that no action had taken place. In effect it was that the Commissioner was happy with the actions taken by the DHB and he therefore did not intend to take further action.

463.5 Value for Money

Report taken as read and provided for general information of the committee.

Discussion

Committee members noted that the hospital had struggled to meet budget for a number of years and questioned whether there would be a time when the hospital met budget or whether in fact we were budgeting correctly.

The Chief Executive advised that the DHB was striving every year to meet budget and also to be honest and realistic about the challenges. The risks had been identified in the DAP together with an estimate of probability of that risk occurring. From an overall annual plan view we will meet budget but from a hospital point of view it is a challenge which is not getting any easier year on year and only through more systematic change over a period of years will we get to a point where we can be confident that the hospital is able to live within its means. We are not at this point at this time but with the combination of the facility redevelopment and associated projects looking at the services provided in totality to the people of Taranaki and planning services across boundaries will we get to the point where we can say with greater confidence that the budget will be met.

Resolution

That the Hospital Advisory Committee note and receive the report and attachments.

*Nager/Young
Carried*

464.0 Next Meeting

The next meeting was scheduled to be held on Tuesday 24 February in New Plymouth.

465.0 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 an 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 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 report on ACC Elective Service Contract in that the public conduct of the meting 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.*
 - (h) Enable the DHB, Board or Board Committee holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).**
- 2. To present report on Implications for the Hospital Service Following Preliminary Funding Advice for 2009/10 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.*
 - (h) Enable the DHB, Board or Board Committee holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).**

*Jeffares/Young
Carried*

The meeting adjourned at 11.20am to reconvene at 11.30am

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Chairman

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Date