



MINUTES Open - unconfirmed

TARANAKI DISTRICT HEALTH BOARD

8 November 2007
Theatre Lounge
Community Centre
Albion Street
Hawera

Present

Hayden Wano (Chairman), Peter Catt (Deputy Chairman), Alex Ballantyne, Kura Denness, Jan Dunlop, Flora Gilkison and John Young

In Attendance

Karen Eagles, Jenny Nager (Newly elected Board members)
Tony Foulkes (Chief Executive), George Thomas (General Manager Finance & Corporate Services), Joy Farley (General Manager Hospital Services), Sandra Boardman (GM Planning, Funding and Population Health), Christine Henare (Chief Advisor Maori Health), John Doran (Chief Medical Advisor), Debbie Taylor (General Manager Organisational Development and Communications), Pamela Hikuroa (PA to Board), Sue Carrington (Media Advisor)

549.0 Declaration to Open Meeting

The meeting was opened with a karakia.

The Chairman acknowledged members of the Board following the elections on 13 October. He extended congratulations to those existing members who were re-elected and the new members, Jenny Nager and Karen Eagles, and noted the new status for Alex Ballantyne, who was now an elected member. The Chairman commented that the last two terms had seen the consolidation of policies around the DHBs and felt that the DHB was in good stead to go forward for the next term and he wished the new Board well in that journey.

Advice of Ministerial appointments were still awaited.

The Chairman also acknowledged and welcomed Dr John Doran to his first meeting in his new capacity as Chief Medical Advisor and wished him well in the future.

A welcome was also extended to members of the public.

550.0 Apologies

Dan Devadhar, Tom Mulholland, Tony Ruakere

551.0 Conflicts of Interest

No new interests were declared.

552.0 Minutes

Clarification provided with respect to elective services and wording to be changed.

Resolution

That subject to the following changes:

Delete '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:

Add "Decision taken with the Funder to over deliver base contract in the first six months of the year."

Delete: "Mrs Boardman advised that funding would only be provided if it linked into a strategic initiative, eg chronic disease management."

Add "Mrs Boardman advised that funding would only be provided if it was an agreed strategic initiative, eg chronic disease management decision support system."

the Minutes of the Taranaki District Health Board meeting held on 11 October 2007 be confirmed as a true and correct record.

*Young/Gilkison
Carried*

552.1 Arising From Minutes

Board members requested advice on any progress in setting up a local competition for innovative initiatives. The Chief Executive advised that there was no update at this stage.

553.0 Board Committee Reports

553.1 Hospital Advisory Committee

Resolution

That the Taranaki District Health Board receive the unconfirmed minutes of the Hospital Advisory Committee meeting held 30 October 2007 and notes recommendations contained therein.

*Young/Dunlop
Carried*

553.2 Community and Public Health Advisory Committee

The Chairman advised that the Health Needs Assessment considered at this meeting would be taken up in the Chief Executive's Report.

Board members requested clarification around the Planning and Prioritisation Panel representation with Mrs Boardman advising that the panel receives detailed commercial information about every contract the DHB holds and from a conflict of interest perspective it would be inappropriate to have a provider on the committee. A representative of the provider arm is only on the panel because the provider is the provider of default should any contracts fall over. The provider arm representative is excluded from discussions when they have an interest in the contract.

In putting the resolution the Chairman noted that the recommendation from the Committee around the Health Needs Assessment would be considered as part of the Chief Executive's Report.

Resolution

That the Taranaki District Health Board receive the unconfirmed minutes of the Community and Public Health Advisory Committee meeting held on 30 October 2007 and notes recommendations contained therein.

*Catt/Ballantyne
Carried*

554.0 Chairman's Report

554.1 Meeting Dates 2008

The Chairman referred to the report outlining meeting dates for 2008 and tentative dates for 2009. The schedule followed the same format as previous years. The Chairman also confirmed that the Midland region's DHB training for Directors would take place on Thursday and Friday, 6 and 7, March in Rotorua and the Ministry's orientation would take place on 13 December in Wellington.

General discussion took place with Ms Gilkison suggesting that the number of meetings for the Disability Advisory Committee be increased to six.

It was noted that membership of the Advisory Committees would be reviewed following the confirmation of appointments and that the resolution could note this request.

Resolution

That the meeting programme as outlined be confirmed, subject to the new Board reviewing the number of meetings for the Disability Advisory Committee.

*Denness/Gilkison
Carried*

555.0 Management Reports

555.1 Chief Executive's Report

The Chief Executive took report as read, highlighting

- Acknowledged thanks particularly to George Thomas and the management team for covering in his absence of annual leave.
- Minister of Health Visit has yet to be confirmed. Board members will be advised but it would be prudent in the meantime to plan on the assumption the visit would proceed.
- Career Framework – significant sector development. Will enable a more co-ordinated approach to be taken between policy making, training and education aspects of the Health Workforce along with employment and service provision allowance and provide useful reference point for workforce planning into the future. The framework had been endorsed by Government.
- Quality Improvement Committee – Ministry has taken a significant step in co-ordinating more practical approach to the quality improvement initiatives which take place in a systematic way across all DHBs. Sector to continue to improve focus on clinical quality issues in

particular within the health service and hospital providers with this development. Ministry resources will be available for implementation of projects. Initial assessment from TDHB point of view we are well placed and will be keen to be able to take up any additional resources available and show a lead amongst DHBs in progressing initiatives.

- Health Needs Assessment referenced in the Community and Public Health Advisory Committee Minutes is a significant document which had been revised and updated to be more relevant to our District Strategic Plan priority areas. This will enable us to refer to it in the planned review of the District Strategic Plan next year and inform significant planning work and projects into the future.
- Base Hospital Facility Development – National Capital Committee scheduled to meet in mid-December and anticipate the Taranaki DHB's business case will be on the agenda.
- Finance – apologised for the incorrect table being included, amended paper provided.
- In considering financial issues considerable detailed discussion around the financial results for the Hospital Specialist provider took place at the Hospital Advisory Committee meeting.
- Drew particular attention to the comments relating to specific additional work on top of efforts already happening in looking at financial performance of the hospital. Progress on this initiative will be reported through the Advisory Committee and through to the Board. in the future.
- Funder's financial position positive and within that there is also allowance being made for the proportion of the contingency risk fund established through the budget, which was set around \$3 million. Opportune time now to review the assumptions made at the time the budget was prepared to check whether these assumptions were correct or required adjustment. The review may find that there is additional risk which will require management or if it is considered that the funds set aside to cover risks is greater than required, there may be the opportunity for strategic investment in priority areas. Outcome of the review will be advised to the Board in due course.

551.2 General Manager Corporate and Financial Services Report

Mr Thomas took report as read, highlighting

- Financial perspective results trending essentially on par with what was report last month but the consolidated surplus had decreased.
- Point of concern is Hospital Services deficit had increased. Reasons for the increase being:
- extra activity currently undertaken for which corresponding cost had been identified. With these costs excluded the deficit was approximately \$1 million.
- Started year with cost of funding gap and this will be recognised as the year progresses.
- Based on the trends the Hospital deficit will be more than in previous years. Initiative under way to look at different cost structures for the future.

Discussion

B4 School Checks

In response to queries regarding the ability of the DHB to cope with any additional procedures required as a result of the B4 School Checks, management advised that it was not anticipated there would be any capacity or funding issues with the programme highlighting problems earlier. Dr Doran advised that the checks were undertaken through PHOs and in the centres where the programme was piloted, their systems had not been overloaded.

Financial Risk – Community Contracts

Mr Thomas advised that the financial risk highlighted related to a number of fees for service community contracts, for example pharmaceuticals, aged residential care, where the DHB had no ability to control demand.

Quality Improvement Committee Business Cases

Clarification was sought around these initiatives and whether the DHB was progressing any work on prevention of harm from interventions. Management advised that the projects outlined were national projects as opposed to those being developed at a local level. Ms Farley assured the Board that the DHB has extensive quality risk programmes in place to prevent harm but there was also a lot of work to be done in this area and work will be progressed in future years.

Management also advised that the initiatives were at this stage hospital based but additional work was being undertaken through ACC which was sector wide.

Maori Health Projects

Board members noted the underspend in Maori Health with management advising that this was mainly timing related and that initiatives were being progressed which would be implemented progressively through the year.

Financial Performance

Ms Denness, referred to the financial performance noting the funder surplus and in declaring her conflict of interest due to involvement in the primary sector, queried whether once again the funder operations would be required to support the overspend in the Hospital provider and whether there was an issue with the budgeting process around timing of spend or whether the DHB was delaying projects to ensure a balanced budget and therefore withholding funding from primary sector projects.

The Chief Executive advised that it was not a matter of delivering holding back resources and it was the intention to meet commitments and services planned to be provided and funded. However, some initiatives, for example Maori health initiatives, required considerable change manager for a large number of different individuals and organisations and this takes time to implement.

Board members also referred to previous discussions at Board meetings around structural challenges in the way the DHB was operating and that discussion had indicated the work being put in place around clinically driven change required over the medium term.

Mrs Boardman also advised that the current funder position was mainly the result of two issues, firstly timing and secondly, the biggest factor, was the increased PHARMAC rebate over and above the level budgeted in

February/March. The funder is also accruing reserves agreed by the Board against highlighted risks identified in the budget which if they did not eventuate would be able to be used for delivery of strategic goals. As indicated previously by the Chief Executive, the risks were being reassessed as clearly the funder was in a better position than anticipated although the provider deficit was greater than budgeted. Once the reassessment had been completed Board's advice on how it wished to proceed in terms of a balance between strategic investment and the requirement to meet a breakeven position would be sought.

Questions were also raised on whether the financial performance projections outlined in the facility development business case were proving to be correct. Mr Thomas advised that the financial model presented for the business case was essentially the figures included in the District Annual Plan for the three years extrapolated out essentially 15 years. On a consolidated basis the plan essentially stated a breakeven position this year and in his view this target should be able to be achieved.

Resolution

That the Taranaki District Health Board

1. *Note and receive the Chief Executive's Report.*
2. *On the recommendation of the Community and Public Health Advisory Committee, adopt the health Needs Assessment 2007 as the basis for*
 - *Identifying relative health needs*
 - *Assessing progress in meeting health needs*
 - *Assessing progress in reducing inequalities*

*Gilkison/Catt
Carried*

552.0 Other Business

552.1 TDHB Health Impact Assessment Policy

Mrs Boardman took report as read, highlighting that the policy would formalise the DHB's anticipated approach to Health Needs Assessment to ensure that any significant changes made as DHB did not inadvertently increase inequalities.

Discussion

During discussion Board members noted that the wording of the policy was very general with Mrs Boardman advising that this was deliberate and reflected the DHB's desire to take on board views of the community. There are protocols which sit behind the policy and detail the level of the health impact assessment.

The full health impact assessment is detailed and involved with five stages to go through the process and the protocols and

The Chief Executive advised that it was important for the DHB to 'walk the talk' and the health impact assessment was a tool which helped ensure that appropriate policies and guidance was available for the organisations when dealing with a range of issues.

Ms Eagles questioned whether this was part of the open disclosure policy which the Health and Disability Commissioner was encouraging.

Management advised that this was not explicitly considered in that way but it would assist in providing further transparency to the work being undertaken.

Resolution

That the Taranaki District Health Board receives the report and adopts the Health Impact Assessment Policy.

*Wano/Gilkison
Carried*

552.2 Position Paper – Clinical Services Planning Across the DHB Hospitals
Hawera and Base

The Chairman advised that the paper to be presented resulted from a recommendation put to the August Board meeting which lapsed due to failure to obtain the appropriate level of support and the wide ranging discussions which took place around the recommendation. As a result the management team was asked to present a position paper not only in respect to Hawera Hospital but also the entire region, and outline what the future mean for Hawera.

The Chief Executive in introducing the paper advised that the paper was in response to questions raised and also outlined the broader picture for the future. He advised he was pleased to support the paper which had been put together with input from a range of clinical and non-clinical personnel within the organisation, ably led by Ms Farley.

Mr Foulkes highlighted:

- Important to note that the position paper refers to the Clinical Services Plan which was endorsed by the Board in 2006 and that plan looked in particular at hospital and specialist services across the whole of Taranaki, not just individual geographical areas.
- The Clinical Services Plan was endorsed to be the basis of planning work and it had been of very useful in informing the business case to improve facilities for specialist services for all of Taranaki.
- Clear from the paper that Hawera cannot exist in isolation, both from a clinical services point of view but also in terms of employment.
- Health related clinical and non-clinical staff employed in health in South Taranaki was connected as part of bigger picture and in the work of services provided across the province.
- A key message is the reiteration of previous statement, that services provided at Hawera were the result of way clinical practices evolved over time and will continue to evolve and obviously the DHB needed to be able to respond accordingly and ensure skills were available to make appropriate clinical decisions around management of patients coming to the services in Hawera and from South Taranaki community.
- The paper also provided useful indication of how evolution may continue into the future and signaled the important role the facility and the services at Hawera play as part of the whole.

Ms Farley in speaking to the report highlighted:

- Outlined how the Clinical Services Plan was used to map service delivery as we move forward in the future

- Clinical Services Plan details broad themes and from these key principles had been developed –
- Four key principles around patient ambulatory process care, how adopt technologies, patients need co-ordinated continuous process of care and how adopt IT principles into it.
- The key principles evolved from the plan identified key directions which underpin models of care outlined through the Clinical Services Plan and the Facilities Business Case and also the part played by Hawera. Hawera must be seen in context of medical care across province, both primary/secondary.
- Illustrated how specific models of care developed which provided a picture for the Board and community about how to make the link between clinical planning and the things visible to patients.
- Feedback from the reference group of health professionals and advisors was that they did not consider a disproportionate number of patients were transferred for clinical care and was in fact appropriate and that the occupancies and length of stay were also appropriate.
- Data presented was not exhaustive but painted a picture. An extensive range of activity occurs not just around inpatient emergency department. The wide range of community based services delivered locally was excellent and the community should be pleased with the level and range of services provided.
- The Reference group noted that key directions should include how move forward and summary provided on on-going issues and concerns. Changing clinical practice will drive clinical service delivery. Demographics of Hawera – aging population and Maori deprivation needs to be firmly focused in context of how move forward given aspects of the population that will require clinical care in the future.
- Strong view across multi-disciplinary team that need to built on how support and encourage staff to Hawera particularly around community based services and particularly aimed primary midwifery and the different ways that Hawera can be supported and adopted into the wider family of staff.
- In discussions held with staff at Hawera it was noted that clinical service planning does not stop and start it is an evolutionary process. The service next year will be similar today, but in five years different to now and in 10 years different again. Key is to understand the role clinical practice and the practice of health professionals in terms of driving services.
- Future is as outlined in the paper but staff should not anticipate sudden change and neither should the community.

Discussion

A full discussion took place on the paper with Board members congratulating management on the report, which clearly outlined the way in which Hawera fitted into the overall plan for services in the province and gave clear assurances to the community on the future of services and how clinical practise would determine future services not only for Hawera but for Base hospital as well.

A number of questions were raised:

Perception that higher pay scale would encourage recruitment and retention – Ms Farley advised that this issue had been reviewed and details were provided in the report. Salary structures were based on national parameters, MECCA, and parity across the whole DHB was required. A review of salary levels at similar type hospitals, eg Thames, was undertaken, and it was the view that the packages offered were reasonable and defensible. More money could be provided but this led to conflict around parameters across the province. Ms Farley also noted that the private sector may be able to offer more but being in the public sector national conditions and equity and parity must be maintained from a hospital provider perspective.

Noted that input was sought from GPs and reference made to SouthCare being adjacent to the main hospital however, however, GP services were also provided by Keith Blayney and Ngati Ruanui were there services not considered as part of clinical service.

Ms Farley advised that the Position Paper was an overview of services that existed in proximity to Hawera Hospital in terms of the site. Expert advice was obtained from within the organisation, it was not a consultation paper but was intended to present to the Board an overview.

With Nurse led clinics could GPs be involved in this area.

Ms Farley advised that as care evolved there would be more integrated processes of care between GPs, allied health, nurses in hospital. One of the features of modern service delivery was how do you bring all practitioners to work to enable a seamless journey for patients.

It was noted that with the aging population in Hawera transport was a major issue and the requirement to travel to New Plymouth on consecutive days for pre-operative checks was a concern for many. In response Ms Farley advised that with the changing demographic and needs of the community there was a requirement to look at doing things differently.

Clarification was sought regarding the changing demographics in South Taranaki and the larger number of rural deprived areas and the implications of this on services required. Ms Farley advised that there was a higher percentage of Maori in South Taranaki with associated levels of socio-economic levels of deprivation compared to other areas of Taranaki which led to greater barriers to access. For Hawera Hospital we were looking at how we could better deliver services to those groups for example ensuring the elderly were able to remain in their own homes.

Board members were pleased to see that management had worked with clinical staff in the preparation of the report and that their advice had been taken on board. It was clear that changes in clinical practise would result in changes in service planning. The community could therefore feel reassured that decisions around service delivery were made in a sound manner and that decisions made around treatment were clinically based.

The Chairman in summarising the discussion felt that the paper provided a snapshot in time and the framework presented would hopefully assure the south Taranaki community that there was an understanding that it was critical to have an effective health service provided in Hawera and also that Hawera was an integral part of the total health system in Taranaki.
The Chairman thanked Ms Farley and the team for the paper.

Resolution

That the Taranaki District Health Board note and receive the Position Paper.

Wano/Denness

Carried

552.3 Representation AGMs Subsidiaries/JVs

The Chief Executive advised that the report requested appointment of Taranaki DHB representatives to attend annual meetings of subsidiary/joint venture organisations and also the appointment of TDHB representatives to the Allied Laundry Services Board.

It was noted that following the appointment of the new Board on 10 December, the Chairman and Deputy Chairman may wish to make changes to the representation on the various organisations.

Resolution

That the Taranaki District Health Board

1. *Appoint the following as its shareholder representative to the Annual General Meetings, with respect to the financial year ended 30 June 2007 for:*

Fulford Radiology Services

John Young, or failing him Hayden Wano or Tony Foulkes.

HealthShare Limited

Tony Foulkes

HIQ Ltd

Tom Mulholland or failing him Tony Foulkes or George Thomas

Allied Laundry Services Ltd

Flora Gilkison, or failing her Simon Barrett

The appointed representatives to the Annual Meetings to have authority to be heard and vote on all issues of business that may be transacted at the meetings.

2. *That Flora Gilkison and the Group Financial Accountant, Simon Barrett, be reappointed as TDHB representatives on the Allied Laundry Services Limited Board.*
3. *That the Chairman and Deputy Chairman be authorised to review the appointments to the subsidiaries and joint venture companies, if considered appropriate, once the appointments to the Board have been confirmed.*

Young/Catt

Carried

553.0 Next Meeting

The next meeting is scheduled to be held on Thursday 6 December in New Plymouth.

554.0 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 Chief Executive's report 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 Letter of Support for HIQ Ltd 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.*

*Gilkison/Denness
Carried*

The meeting adjourned at 4.05pm, to reconvene at 4.20pm

.....
Chairman

.....
Date