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**Minister of Health  
Minister for Food Safety  
MP for Rongotai (incl Chatham Islands)**

Mr Doug Matheson  
Chair  
Wairarapa District Health Board  
PO Box 96  
**MASTERTON**

Dear Mr Matheson

**Wairarapa District Health Board: 2004/05 District Annual Plan**

This letter is to advise you that I have signed Wairarapa District Health Board's (DHB) District Annual Plan (DAP) for 2004/05 and the Board has my support for the implementation of this plan.

I wish to express my appreciation to the Board, management and staff for all the effort that has gone into producing the plan and the efforts made to manage your services within the funding available.

It is pleasing that the Board has presented a DAP that meets my expectations set by the revised financial plan of December 2003. I note that you will require deficit support in 2004/05.

I am advised that Wairarapa DHB intends to submit a revised business case for the Masterton Hospital redevelopment to the National Capital Committee. If a different approach to the business case is approved, I would expect that the timeframe to achieve break-even will remain the same as presented in the DAP. A revised financial plan would need to be submitted for Ministerial approval.

I have noted the service reviews in 2004/05 that you are proposing as part of your DAP. I expect Wairarapa DHB to seek the advice of the Ministry of Health before any service reconfigurations are carried out. I understand that it is not Wairarapa DHB's intention to reduce services available to your population as a result of these reviews.

I note the risks and associated mitigation strategies you have identified. I expect WDHB to continue to manage its financial risks and live within its allocated funding, particularly where these relate to Multiple Employer Collective Agreements. Where your DHB identifies severe risks of any type I expect you to notify the Ministry of them along with your strategies for mitigating them.

**Mental Health**

I note the improved understanding of the requirements of the Mental Health Ringfence and reiterate the importance of adhering to these requirements.

I note that the Wairarapa DHB has worked on reviewing its mental health services during 2003/04 and the first stages of implementation are expected in 2004/05. It will be positive to see the next stages in your planned improved delivery of services and to review your progress in next year's planning process.

*The Holidays Act 2003*

I am aware that concern has been expressed throughout the public health sector regarding the cost of implementing the Holidays Act 2003. I understand that the Ministry of Health has had discussions with DHBs, and that a number of community health providers have been in touch with the Ministry regarding the impact. The Ministry is working with The Treasury to assess the impact of the Holidays Act and prepare advice for Cabinet.

At the same time, you may be aware that the Minister of Labour has asked his officials to review some elements of the Act that are causing concern. This process will take some time to work through. I am therefore not able to provide a timeframe for decision-making about the shape or extent of any possible compensation for DHBs or other providers. As soon as we have a timeframe, I will ensure the Ministry conveys it to you.

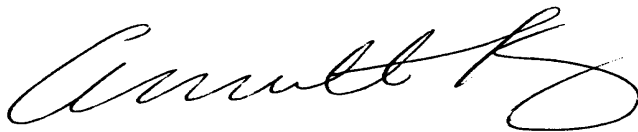
*Health Service Outputs*

I am concerned that as technology and procedures change we are finding it difficult to assess how the Government's significant additional investments in health have affected health services. During 2004/05 officials will be working with the sector to assess the value gained for New Zealanders from investments in health. I look forward to your co-operation with this work.

This letter should be attached to the copy of the signed plan held by the Board and a facsimile of the letter should be attached to all copies of the Plan made available to the public or any other third party.

Would you now please forward a copy of your final 2004/05 Statement of Intent to the Ministry within two weeks (ten working days) of receiving this letter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Annette King', with a large, stylized flourish at the end.

Hon Annette King  
MINISTER OF HEALTH

## **Wairarapa District Health Board Vision**

“Well Wairarapa - Better health for all”  
“Wairarapa ora – Hauora pai mo te katoa”

## **Wairarapa District Health Board Mission**

To improve, promote, and protect the health status of the people of the Wairarapa, and the independent living of those with disabilities, by supporting and encouraging healthy choices.

## **Wairarapa District Health Board Treaty Statement**

The Wairarapa DHB recognises and respects the Treaty of Waitangi, and the principles of partnership, participation and protection. The Wairarapa District Health Board will work with the Mana Whenua Caucus to ensure Maori participation at all levels of service planning, service delivery and the protection and improvement of the health status of Maori.

## **Wairarapa District Health Board Values**

Nga Tikanga Ki Mua Hei Whakawateatia A Muri – Well-being flows from our values. These values underpin all of the DHBs work:

- Valuing people : Whakamana Tangata
- Demonstrating mutual respect courtesy, and support for each other, and for the rights of individuals.
- Integrity : Mana Tu
- Acting honestly, openly, and in accordance with ethical principles.
- Co-operation : Whakawhanaungatanga
- Working collaboratively and positively in partnership with the community, other service providers, and other organisations.
- Holism : Kotahitanga
- Taking into account all aspects of a person and their environment.
- Taking Responsibility : Tino Rangatiratanga
- Encouraging all to determine and achieve their own aims and aspirations, and to be accountable for their actions.
- Achievement : Whakatutuki
- Setting realistic goals, for the organisation, and for individuals and ensuring they are achieved.
- Excellence : Taumatatanga
- Striving for the highest standards and best practice in all that we do.
- Innovation and learning: Matauranga
- Valuing learning, and encouraging exploration of new opportunities

## EXECUTIVE SUMMARY

This District Annual Plan sets out the Wairarapa DHB's objectives and targets for the year. It shows how we will make continuing progress towards, and better, the financial targets to which we have committed previously, achieve our strategic priorities, allocate funding, provide services, and monitor and report performance.

Our key achievements in 2003/04 have been:

- Completion of, and gaining Ministerial approval for, a Business Case for the re-development of the Masterton Hospital site over the next two years
- Identification of a pathway to breakeven through efficiencies to be gained in the remodeling of service delivery in the new environment created by the site redevelopment
- Establishment of Wairarapa Community PHO
- Improved financial performance and a year end position that is better than forecast in our DAP for 2003/04 (assuming current issues with DSS funding are resolved)

These achievements provide the platform for further work in 2004/05 and 2005/06 to:

- Maintain progress towards breakeven and achieve all financial targets
- Progress Site re-development while maintaining service delivery
- Implement the Partnership Model and increase integration of service provision
- Improve quality of service delivery and achieve accreditation and certification
- Develop the Wairarapa's health and disability services workforce
- Improve access to services
- Improve health outcomes

The Minister of Health's approval of the business case for Masterton Hospital Site Re-development has enabled the DHB to embark on a pathway to a sustainable break-even position, and submit a revised "no deficit" financial plan. We have responded to the Minister's request to advance the project with all speed and brought forward the completion date to June 2006. Further work is being undertaken to revisit the layout of the proposed hospital which may see the completion date brought forward to December 2005. Fast-tracking the hospital re-development enables efficiencies to be realised earlier and the DHB to reach break-even one year earlier than was projected in the business case.

Our DAP for 2003/04 projected a consolidated deficit in 2003/04 of \$1.7M rising to \$2.1M in 2004/05 and 2005/06. Those projections showed Wairarapa DHB would become insolvent in the out-years, unless major changes occurred. Consequently the Minister was only able to approve the plan for one year, pending completion of the business case for site re-development. The DHB was required to submit a new financial plan by 22 December 2003, demonstrating a pathway to breakeven. This was done. The report to the Minister on 22 December showed that incorporation of the operational efficiencies to be achieved through the re-development of the hospital site were expected to enable the DHB to reach break-even in 2007/08.

Subsequently, the DHB has investigated options for fast-tracking the site re-development project so that break-even can be achieved sooner. The DHB now considers that it feasible and realistic to complete the building and re-fit programmes by June 2006. This means higher costs of capital are incurred in 2004/05 and 2005/06, but the DHB moves from overall deficit to surplus a year earlier. The projected deficit for 2004/05 is now reduced to \$1.00M, becomes \$1.35M in 2005/06, and a surplus of \$0.40M is achieved in 2006/07. The table below shows the changing projected year-end consolidated positions:

	2003-04 DAP	Business Case	22 Dec Report	2004-05 DAP
2003/04	(\$1.81M)	(\$1.70M)	(\$1.70M)	(\$1.70M)
2004/05	(\$2.18M)	(\$1.01M)	(\$1.01M)	(\$1.00M)
2005/06	(\$2.07M)	(\$1.13M)	(\$1.14M)	(\$1.35M)
2006/07		(\$1.70M)	(\$1.70M)	\$0.20M
2007/08		\$0.08M	\$0.08M	

Consistent with our strategic plan, this annual plan shows a population based approach to achieving the DHB's vision of Well Wairarapa. Closer working with other agencies, both within the health and disability sector and intersectorally is critical to this. There is growing recognition that to be 'well' requires more than health services, it requires co-ordinated community action and access to a wide range of services outside the health and disability sector. The DHB's recent publication 'Our Children – Their Health' is a step towards increasing understanding of this.

### Implementing The Service Changes Required

Many of the actions proposed in this plan require 'working with' other groups and agencies. This reflects our intention to implement the Partnership Model upon which our business case for the site re-development has been built. Better integration of services is the key to improving service outcomes and service sustainability. Implementation of the changes required to achieve this has commenced and will continue during 2004/05.

The service models proposed in the business case require complete redesign and re-orientation of service delivery and staffing on partnership lines. The plan is to maintain and expand services at Masterton to better meet the needs of our aging population, and also to greatly increase the efficiency and effectiveness of services so that they are clinically and financially sustainable within our population based funding, and the need for deficit support is eliminated.

There will be little change in the range of services provided, but the way in which they are provided will change significantly.

*The design, provision and funding of services will be focused on meeting patient and community needs*

- System-wide continuums of care will span PHO, hospital, NGO, community and social services, from prevention/health promotion, through treatment and rehabilitation, to social support
- There will be increasing blurring of traditional distinctions between primary and secondary care
- All parts of the system will be inter-connected and well co-ordinated.

*The configuration of services will promote partnerships, integration, and resource sharing, between providers*

- Joint PHO-DHB solutions to rural access issues and after hours cover
- Joint arrangements with other DHBs for some after-hours specialist on-call cover
- Joint arrangements with other DHBs for local access to assessment and treatment for less common secondary specialist services not provided by staff employed by Masterton hospital – will include provision of more clinics at Masterton as well as access to clinics in other DHBs
- Partnerships with PHO and other community providers for step-up/step-down bridging services (intermediate care) between home and hospital
- Partnership initiatives with other services and sectors to address issues such as transport
- Public-private initiatives such as joint venture arrangements

#### *Health workforce developments*

- Increased emphasis on multi-disciplinary teamwork, with enhanced roles for non-medical staff and community health workers
- Increasing the capacity of the Maori workforce, and greater use of shared staffing and secondment arrangements between Maori and mainstream providers
- Increased opportunities for medical and other clinical personnel to practice across hospital and community settings
- Development of generalist skills in comprehensive assessment and diagnosis for all clinical staff, so that people are seen and treated holistically (Move away from single diagnosis and treatment episode focus)
- Increasing clinical governance arrangements to ensure evidenced based practice and quality improvement.

#### *Service provision will be clinically and financially sustainable*

- Focus on shared workforce and facility planning across all providers
- Service provision capacity and infrastructures will be shared across providers as far as possible
- Increasing use of telemedicine and digital links for more cost effective and sustainable access to specialist advice.

#### *Service provision will be culturally effective for Maori*

- Increasing numbers of Maori in the health workforce
- Increasing cultural training for non-Maori in the health workforce
- Facilities designed to enable culturally effective practice
- Enhanced relationships between staff and Maori patients
- Increasing access to services by Maori.

#### *Communication and Information systems will be improved*

- Telemedicine – for diagnosis, treatment advice, and professional education
- Electronic patient records shared across providers and the PHO
- Decision support software
- Population health monitoring
- More effective recall systems.

Through these developments we will be able to continue to provide (and develop further) a full hospital service in the Wairarapa.

The major initiatives planned for 2004/05 to implement the Partnership Model are:

- Re-configuration of mental health services
- Introduction of an integrated continuum of care for older people
- Implementing an integrated Maori Tamariki ora service
- Working with the Wairarapa PHO on common clinical pathways for diabetes and respiratory patients
- Examining joint venture arrangements for some clinical support and corporate services that are currently provided internally.

### **Key Developments Already Underway**

#### *PHO establishment*

The Wairarapa Community PHO Trust became operational on 1 January 2004. This single PHO encompasses the whole district and all primary medical practices within Wairarapa. The Trust Board membership includes representatives of Mana Whenua, Maori providers, and the community.

As well as delivering significant health benefits to the district's population, an operational PHO funded by capitation payments reduces the risks to the DHB of unexpected increases in GMS claims (which have been growing over the last two years at about 8% per annum). The key benefit to date has been the coming together of a number of small and isolated practices, which have not formerly worked together with each other, or with Maori providers and secondary health services. The DHB and the PHO have agreed that over the next 12

months we will work together to develop the first Wairarapa-wide integrated care pathways and continuums for some chronic diseases, mental health, and services for older people.

#### *Nursing Innovations*

New nurse led services, utilising Innovations in Primary Health Nursing funding, are expanding. The first, which became fully operational in December 2003, is a Youth Clinic in South Wairarapa. We expect this, and other nurse led initiatives such as rural nurse clinics in remote areas, to be integrated into the PHO over coming months.

#### *Management of expenditure on community referred services*

Continuing high growth in pharmaceutical expenditure is the DHB's biggest financial risk. It has been averaging around 9% per annum over the last two years, despite the DHB's best endeavours to reduce it. Since 1 July 2003 we have had in place a contract with WIPA to provide prescribing analysis and reports to general practitioners, plus pharmacy facilitation and CME sessions (none of which had been provided previously in Wairarapa). We expect, in time, that these activities will bring the pharmaceutical expenditure growth rate in Wairarapa down to the levels achieved in WIPA managed PHOs and practices in the Wellington area.

Wairarapa pharmacists have proposed that they budget hold for pharmaceutical expenditure. The DHB would prefer that any pharmaceutical budget holding scheme is developed and agreed jointly with general practitioners and pharmacists, and becomes part of our service agreement with the PHO. Preliminary indications are that this is likely to be feasible.

#### *Developments in Relation to Mental Health Services*

During 2003-04 we have consulted widely on a new strategic plan for the future funding, organisation, and development of mental health services in Wairarapa. Consultation confirmed that Wairarapa mental health services are highly fragmented. Most are clinically and financially unsustainable, difficult to access, culturally inappropriate for Maori, serve too few people, and are poorly regarded by the community. The community and the mental health sector have given the DHB a very clear mandate for change.

The strategic plan provides for the overall range of local services to be reduced and focused on what can realistically be provided within Wairarapa, given the local constraints of small population size, and consequent funding limitations. As services are configured and funded at present the DHB provider arm, and some others, cannot deliver to meet service specification and contract volume requirements. Very low volume, standalone, inpatient and community residential services cannot be provided in a clinically and financially sustainable way.

During 2003-04 the DHB provided mental health services and have made good progress toward addressing these issues. There is now a fully staffed community mental health team and new clinical care pathways have been developed. In addition Outreach clinics to the South Wairarapa have been introduced.

Clinical viability and recruitment and retention issues are being addressed through establishment of active links and co-operative activities with other DHBs, including through the regional mental health network. This includes participation in regional risk management and mental health workforce plans developed through the Central region mental health network.

#### *Developments in relation to other DHB provided services*

In late 2003 the DHB commenced reviews and development of new strategies for its purchase and provision of the following services:

- Radiology
- Laboratory
- Emergency Department
- Home Support services
- Laundry.

The first stage of the projects has been completed. Current service delivery has been evaluated and options for future purchase and delivery identified. The next step will be to implement the recommendations. This may include competitive tendering processes.

## **Risks and Challenges**

This DAP is ambitious. Achieving our goals for 2004/05 will be challenging.

We face several specific challenges to achieving our financial targets:

*Employment Agreements* – in the interests of Central region DHBs as a whole and stability of our own workforce, we have recently agreed to multi-employer collective agreement (MECA) settlements well above what is affordable for Wairarapa if previously advised service levels and financial targets are to be met. Settlement of recent (MECAs) has deteriorated our financial position by about \$250k per annum. We have therefore re-prioritised our planned expenditure so as to be able to meet the financial target for 2004/05 to which we committed in December 2003. MECA negotiations for other professional groups fall due during the 2004/05 year. These pose additional financial risks for the DHB and may mean reductions in some service volumes will be required.

*Uncertainty with regard to DSS funding* – devolution of responsibility for DSS for older people has created unexpected funding risks for the DHB. At the time of writing baseline funding is under review, and wash-up and risk pool arrangements not yet finalised. Projections in this plan assume these issues are resolved fully before 1 July 2004 so as to enable all services provided and planned prior to devolution to be maintained, during 2004/05, within the DSS funding allocated to the DHB. If this is not achieved, expansions in DSS services that were planned prior to devolution will not be able to proceed.

*Rural Adjuster* – the present Population Based Funding Formula wraps into one the former rurality and diseconomies adjuster and allocates the combined sum according to rural population numbers. The DHB considers the allocation mechanism for this combined rural/diseconomies adjuster is inappropriate and leaves small rural populations with insufficient adjustment for diseconomies of small size. This has a major impact on the level of funding provided to Wairarapa DHB, and on the speed at which the DHB is able to reach break-even. During 2004/05 the Ministry of Health will review the rural adjuster. This plan assumes the status quo is maintained.

*Expenditure on pharmaceuticals and pharmacy services* – we have budgeted for \$400k net savings in expenditure on pharmaceuticals and dispensing fees to be achieved through re-introduction of stat dispensing, as projected by PHARMAC. Given trends in prescription volume growth there are risks that the level of savings predicted by PHARMAC will be realised. This presents a real risk to the plan.

*National price movements and IDF's* – the out-year projections in this plan assume the DHB's net IDF position remains constant over the next three years. This will not be able to be maintained without changing service volumes as introduction of revised national prices for all IDF's will worsen Wairarapa's position.

*Change management* – the scale and complexity of change required to implement the hospital re-development project is significant. Realisation of sustainable service delivery and economic benefits depends upon ownership and commitment from the whole organisation. The change process carries inherent risks, including: resistance to change; inability to recruit and retain appropriately skilled staff; disruption to services during construction; and slippage against timelines. Fast-tracking the project increases the risks as well as the benefits. To address these risks the DHB has put strong change management processes in place and is confident it has developed appropriate mitigation strategies.

*Ambulance Funding* - For most DHB's, Ambulance Services are funded directly by the Ministry. However Wairarapa, Taranaki and Nelson-Marlborough DHBs provide and fund their own Ambulance Service from within their population based funding envelope. This is being reviewed by the Ministry of Health during 2004/05.

*Holidays Act 2003* – The Holiday Act which came into force on 1 April 2004 raises Personnel costs for both DHB and non-DHB providers. This plan has made provision for the impact on the DHB provider, but not for other providers. Non-DHB providers are now seeking reviews of prices the DHB pays for funded services. There is a risk that the DHB will not be able to provide the same volumes of services from within its funding envelope as were funded previously.

**Our Commitment to Succeed**

While recognising these risks and challenges, the Wairarapa DHB is committed to maintaining its focus on achieving the financial projections in this DAP and to improving its position as the service changes resulting from the Masterton Hospital Site Re-Development pay off.

This annual plan is signed and approved by the Minister and the Chairman of the Wairarapa District Health Board, as required under section 39(3) of the New Zealand Public Health and Disability Act 2000.

**Hon Annette King  
Minister of Health**

**Date:**

David Meates  
**Chief Executive  
Wairarapa DHB**

**Date:**

Doug Matheson  
**Chair  
Wairarapa DHB**

**Date:**

## 1. INTRODUCTION

### 1.1 The Wairarapa DHB and its Priorities

The Wairarapa District Health Board (DHB) was formed upon the enactment of the New Zealand Public Health and Disability Act 2000, and is responsible for funding and providing health and disability support services in the Wairarapa District.

A District Annual Plan (DAP) is required under Section 39 of the New Zealand Public Health and Disability Act, which describes the Board's intention for the coming year (July 2004 – June 2005), including how it will advance the implementation of its District Strategic Plan and meet the expectations and requirements of the Minister of Health.

The Wairarapa DHB's DAP for 2003/04 forecast ongoing deficits for 2004/05 and 2005/06 of \$2.2M and \$2.1M respectively.

In November 2003 the Minister of Health approved the DHB's business case for site re-development. This has enabled the DHB to identify a pathway to breakeven and improve on its previous financial forecasts. Implementation of site re-development will enable the DHB to reach breakeven within four years.

The DHB is now clearly focused on meeting the Minister's request to fast track the re-development and reduce its deficit as fast as possible.

#### Wairarapa DHB Strategic Priorities

During 2002/03 the Wairarapa DHB's Strategic plan was approved by the Minister of Health. The Strategic Plan sets out four key priorities for health improvement in the Wairarapa:

- Improving child, family and youth health;
- Better mental health;
- Reducing the incidence and impact of diabetes;
- Reducing the incidence and impact of respiratory disease.

The Strategic Plan proposes that achievement of these four priorities be achieved through progress along each of seven common pathways:

- Improvement of Maori health, reduction of disparities, increasing cultural responsiveness.
- Increasing access for Maori, youth, the most economically disadvantaged, and rural people.
- Increasing collaboration and co-operation across agencies and sectors.
- Stronger focus on healthy lifestyles and population health approaches.
- Community development and community action.
- Improving quality and consistency of service delivery.
- More holistic approaches.

The DHB's Strategic Plan and priorities will be reviewed and revised during the 2004 / 2005 year.

#### Ministerial Expectations

The Minister of Health has indicated key priorities that DHBs should focus their energies on in 2004/05. These are:

- Service Delivery relating to:
  - Implementing He Korowai Oranga
  - The New Zealand Disability Strategy

- Elective services and radiotherapy waiting times
- Reducing the Incidence and Impact of Diabetes
- Reducing inequalities
- Primary care
- Implementing the Mental Health Blueprint.
- Keeping infrastructure costs as low as possible
- Implementing effective industrial relations strategies
- Innovative approaches to enable managing within budget.

## **1.2 Our Key Achievements for 2003 /2004**

During the 2003 / 2004 year the Wairarapa District Health Board has continued to make real progress on each of the pathways identified in our District Strategic Plan (DSP), while also achieving three major goals that will provide the springboard for improved access, quality, integration and clinical and financial sustainability of services into the future.

These three achievements were:

- Development of new models of care and a plan for the re-development of the Masterton Hospital site over the next two years
- Identification of a pathway to breakeven through efficiencies to be gained in the remodeling of service delivery in the new environment
- Establishment of one Wairarapa-wide PHO (Wairarapa Community PHO).

The progress made along each of the pathways, through these three key achievements and others, is shown below:

### **1. Improvement of Maori health, Reduction of Disparities, Increasing Cultural Responsiveness.**

- A joint action plan between Mana Whenua and Wairarapa District Health Board was completed and implemented in August 2003
- A collective of Maori health providers is operational
- Project aiming at improving ethnicity data is underway
- DHB staff cultural training needs identified and training underway
- Year one of the Wairarapa District Health Board Maori Health Action plan implemented
- The review of Kaupapa Maori Mental Health services completed with recommendations to be implemented in 2004/2005
- Strategies are in place to increase the level and capability of Maori participation in the health sector and all levels
- Establishment of a Kaumatua reference group for the health of older people.

### **2. Increasing Access for Maori, Youth, the Most Economically Disadvantaged, and Rural People.**

- PHO established and operational from 1 January 2004. Initiatives to improve access for key target groups are now underway, including provision of outreach clinics, home visits, and primary mental health service development
- Nurse led clinic for youth established
- Local retinopathy service established
- Outreach immunization service established
- Initiatives to increase uptake of annual diabetes checks by Maori and Pacific people
- Additional marae based clinics provided
- More specialist services provided in Masterton (ENT, plastics).

### **3. Increasing collaboration and co-operation across agencies and sectors.**

- Working with residential care sector to build responsiveness to personal health needs
- Development of Partnership Model as cornerstone of business case for hospital redevelopment and all future service developments
- Joint work with Hutt and MidCentral DHBs to establish collaborative services for ENT, urology, plastics, and general surgery
- Outsourcing laundry services to Allied Laundry
- Collaboration with other DHBs in projects to review and plan laboratory services, pharmacy services, IT developments, some surgical services
- Increasing involvement in Regional Mental health Network
- Joint venture with Whaiora Whanui for delivery of outreach immunisation programme
- Working with PHO to provide ED and After Hours services collaboratively
- Intersectoral planning group set up to develop Youth Health Plan
- Regular joint planning meetings established with TLA CEOs
- Working with local and regional TLAs to address transport issues.

### **4. Stronger Focus on Healthy Lifestyles and Population Health Approaches.**

- Publication of 'Our Children – Their Health'
- Participation in 'Healthy Homes' insulation project
- Increase in Health Promoting Schools
- PHO health promotion initiatives in relation to breast screening and smoking
- Review of smoking cessation programmes and increase in smoke free environments, including the development of a Smoke Free hospital campus from 31 May 2003.

### **5. Community Development and Community Action.**

- Participation in inter-agency and inter-sectoral initiatives – Violence Free Wairarapa, Youth Offending Team, Strengthening Families
- Active engagement in Wairarapa District Council planning
- Establishment of a Maori Providers' collective.

### **6. Improving Quality and Consistency of Service Delivery.**

- Business Case for hospital redevelopment and service redesign
- Development of staff performance tools to accreditation standards
- Progress by DHB towards achieving QHNZ accreditation in October 2004
- Establishment of Clinical board
- Four Mental Health providers audited through regular auditing process
- Accreditation of one Mental Health Provider
- SMO credentialing advanced with consumer involvement in this process
- Completion of organisation Quality Plan
- Chronic Disease Management piloted for 40 diabetic patients.

### **7. More Holistic Approaches.**

- 'Whole of family' home health visits, for most disadvantaged families – established by PHO to provide multidisciplinary and domiciliary input to those not previously accessing primary health care
- Health recovery programme – to provide holistic intermediate care for those whose needs fall between secondary acute and long term DSS
- Development of an integrated continuum of care plan for older people

- Completion of a new plan for Mental Health Services in Wairarapa with a strong focus on holistic care, and recovery.

### 1.3 Our Key Objectives for 2004 / 2005

Wairarapa DHB has six overarching objectives for 2004/05. These are:

- Maintain progress towards breakeven and achieve all financial targets
- Progress Hospital re-development while maintaining service delivery
- Implement the Partnership Model and increase integration
- Improve quality and achieve accreditation
- Develop the Wairarapa's health and disability services workforce
- Improve access and outcomes for Maori and other key groups.

### 1.4 The Organisation That Achieves Them

Wairarapa DHB is responsible for working, within the funding allocated to it, to improve, promote and protect the health of the Wairarapa population, and for promoting the independence of people with disabilities. The DHB has developed its Board Committees and organisation structure to enable it to carry out these responsibilities efficiently and effectively.

#### Role of the Board

The Board provides governance of the Wairarapa DHB. The Board will be responsible for the organisation's performance to this plan.

The Board has seven members elected by the community. An additional four Ministerial appointments were made bringing the number of board members to eleven. The Board has two Maori members with one of these Maori board member sitting on each Committee of the Board. The Maori members maintain close working relationships with iwi, hapu, and the DHB's Director of Maori Health.

The Board's key responsibilities include:

- Setting a long-term strategic direction that is consistent with the government's objectives.
- Developing the District Annual Plan and other accountability documents.
- Monitoring the performance of the organisation and appointing its Chief Executive.
- DHB governance.
- Maintaining appropriate relationships with the Minister of Health, Parliament, Ministry of Health, Maori and the public.

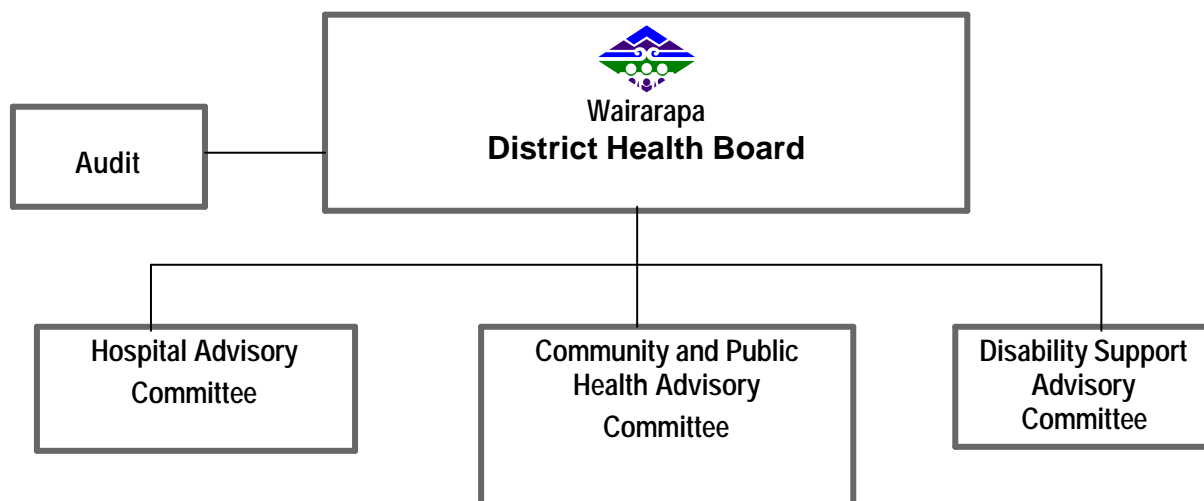
#### Board Committees

The Board has established three advisory committees and an audit committee:

- **Community and Public Health Advisory Committee:** The Community and Public Health Advisory Committee provides advice and recommendations to the Board on the health needs of the resident population. It also advises the Board on priorities for the use of the health funding provided. The committee membership is comprised of eight Board members.
- **Disability Support Advisory Committee:** The Disability Support Advisory Committee provides advice and recommendations to the Board on the disability support needs of the resident population. It also provides advice and recommendations to the Board on priorities for the use of the disability support funding provided. The membership of this Committee consists of five Board members and two representatives from the Wairarapa disability community.

- **Hospital Advisory Committee:** The Hospital Advisory Committee monitors, advises and provides recommendations to the Board on the financial and operational performance of Masterton Hospital and related services provided by the Wairarapa District Health Board. Seven board members make up this Committee.
- **Audit Committee:** Advises the Wairarapa District Health Board in discharging its responsibilities in terms of the integrity of financial reporting, risk management and regulatory conformance.

These committees meet regularly throughout the year and are supported by the Board and Committee Secretaries, and members of the senior management team as appropriate. The diagram that follows shows how each of these committees provides input to the DHB.



The functions and activities of the Wairarapa District Health Board are shared across the funding and provider services of the Wairarapa DHB.

### Planning And Funding Arm

The primary responsibility of the Planning and Funding Team is to plan and fund health and disability services for the district. The Planning and Funding Team assesses the health and disability needs of the communities and plans the mix, range and volume of services. This group also manages contracts with providers of services, initiates specific health improvement projects with different communities and builds partnerships with the community, providers and other DHBs.

The Planning and Funding Team is also responsible for ensuring access to specialist services that are not delivered in the district and monitoring and managing the flow of funds for these out of district services.

The Planning and Funding Team's core activities are:

- Determining the health and disability needs of the population.
- Prioritising and operationalising national health and disability strategies in relation to local need.
- Involving the community through consultation and participation.
- Undertaking service contracting.
- Monitoring and evaluation of service delivery, including audits.

## **Provider Arm**

Wairarapa DHB's hospital and community health services are provided mainly from Masterton Hospital and Choice Health. Services are also delivered from out-reach clinics, including several held at Marae. The Wairarapa DHB's provider arm will continue to deliver outpatient, community, day programmes, and inpatient services as funded by the DHB through its Planning and Funding Team and as required by other DHBs and purchasers including ACC, across the following services:

- Medical and Surgical Services
- Child Health
- Obstetrics and Women's Health
- Clinical Support services – laboratory, pharmacy, radiology and allied health services
- Mental Health Services
- AT & R services
- Community Health Services.

## **Working with Other Providers**

In addition to Wairarapa DHB, there are a range of other providers who provide a variety of health services and disability services to people in the District. These providers are a mix of private, religious, welfare and other non-governmental organisations. The services they provide include mental health, rest homes, primary care (GP and nursing services, community workers, pharmacists, laboratories, pharmaceuticals etc), maternity, public health, Well Child, and Kaupapa Maori services. Hutt Valley DHB, in partnership with Choice Health, provides Regional Public Health Services to the Wairarapa.

PHOs are a key vehicle in implementing the Primary Care Strategy, achieving improvements in health outcomes and reductions in inequalities. The Wairarapa is fortunate to have one newly established PHO that encompasses the whole district. The DHB looks forward to working closely with the Wairarapa Community PHO on a range of programmes during 2004/05.

## **Public Health Partnerships**

Public Health Services are funded and contracted for by the Ministry of Health. Regional Public Health in Hutt is contracted by the Ministry to provide public health services to Wairarapa, Hutt and Capital and Coast districts. These three DHBs have worked with the Ministry to complete a Public Health Strategic Plan for the greater Wellington region. This plan provides a framework for shared decisions with the four parties meeting regularly to review progress. During 2004/05 the Wairarapa DHB and Regional Public Health will have a major focus on encouraging and supporting public health approaches to be developed within the Wairarapa PHO.

## **Mana Whenua Caucus and Maori Health Committee**

The DHB's Maori Health Committee represents Maori in the Wairarapa. A Maori Health Committee was first developed under the former Crown Health Enterprise and since 1999 has worked to promote Maori health across all sectors. With the establishment of the Wairarapa DHB, more formal partnership arrangements have been developed. The Maori Health Committee, which is inclusive of both mana whenua and mataa waka, has a key role in advising on the planning, funding, development and delivery of services for Maori.

The Mana Whenua Caucus which represents the two local Iwi, Ngati Kahungunu and Rangitaane, has been operating since 2001 and is the body that advises the Wairarapa DHB at governance level, whereas the Maori Health Committee provides advice to management and has a key advisory role in planning, funding, service development and service delivery.

The Wairarapa DHB employs a Director of Maori Health and a Maori Health Coordinator who works with the Wairarapa DHB's provider services to ensure that services are culturally relevant for Maori, that staff development programmes include Tikanga Maori, and that Tikanga Maori is respected within the organisation.

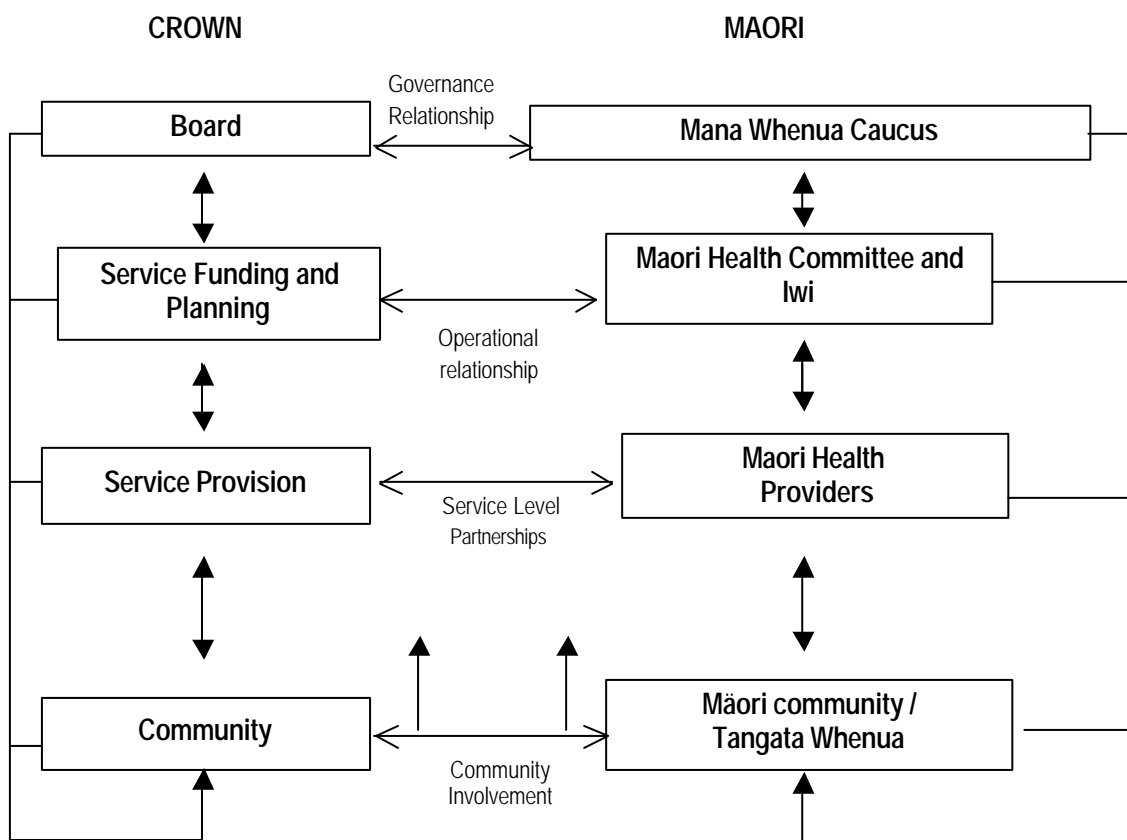
## Treaty of Waitangi

The New Zealand Public Health and Disability Act requires DHB's to take active steps to reduce health disparities by improving health outcomes for Maori and to assist the Crown in fulfilling its obligations under the Treaty of Waitangi. DHB's are required to establish and maintain processes to enable Maori to participate in, and contribute towards strategies for Maori Health improvement.

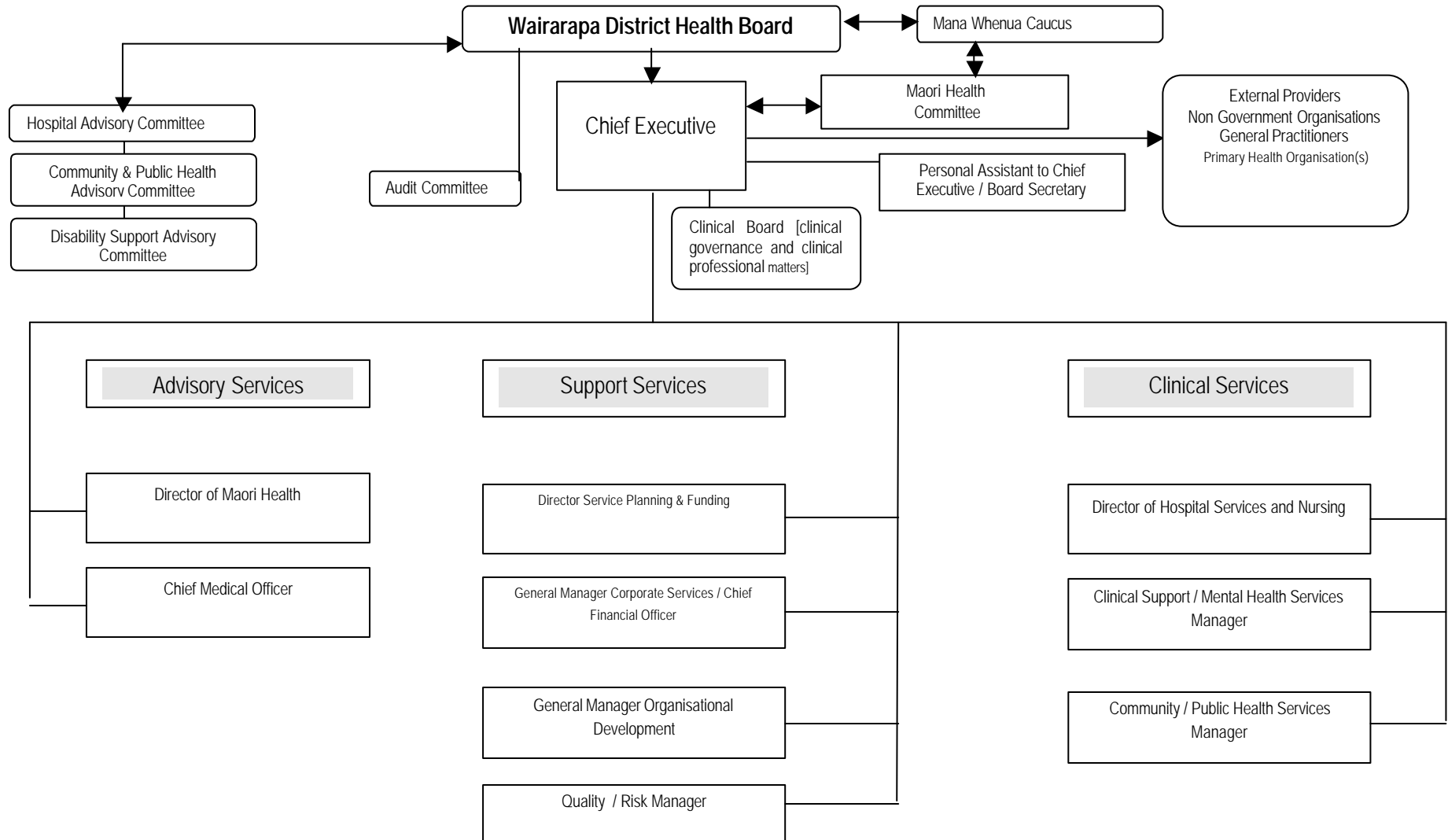
In fulfillment of the responsibilities, Wairarapa DHB works with the Mana Whenua Caucus and Maori Health Committee. The Board has a signed relationship agreement with Mana Whenua, and a Treaty of Waitangi policy.

The application of this policy by all services provided or funded by the DHB will ensure that not only Maori health gain and development is achieved but that each partner is proactive and jointly responsible for improving Maori health.

The diagram below illustrates the model of partnership developed with the Maori community.



### Wairarapa District Health Board Organisational Chart



## 1.5 Prioritisation and Decision Making Principles

The Wairarapa DHB's task is to make decisions about what health and disability services or interventions to fund, for the benefit of the people of the Wairarapa, within the resources available. This requires prioritisation as health sector funding will never meet the unlimited possibilities for expenditure.

Therefore, tradeoffs must occur and the DHB policy on prioritisation<sup>1</sup> outlines the decision making principles that are applied to competing demands for limited resources. The agreed principles on which prioritisation decisions must be based are:

- **Effectiveness** - the extent to which a proposed service will produce the desired outcome
- **Cost** - the total economic cost of a service proposal, and its affordability within available funding
- **Equity** - the extent to which a proposal is expected to reduce disparities in health status and outcome
- **Maori Health** - the expected impact of a proposal on Maori participation, partnership and protection, including development of Maori provider capability and capacity
- **Acceptability** - extent to which a specific service proposal is desired by the local community
- **Consistency** - with the New Zealand Health and Disability Strategies

A joint Ministry of Health / District Health Boards New Zealand (DHBNZ) project is underway to develop further guidance to district health boards on prioritization methodologies and tools. The Wairarapa DHB will take the results of this national work, when available, into consideration.

The Hutt Valley DHB's prioritisation scoring tool is being used by Wairarapa as its interim tool for ranking proposals, pending advice from the national project.

## 1.6 Demographic Factors

The demographic and geographic features of the Wairarapa have a major impact on the way we are able to deliver services. The Wairarapa covers a huge area from Ocean Beach in the south and Mount Bruce in the north, and its relatively small population is spread over a very wide area. Travel in and out of the district can be difficult, the only routes being the Rimutaka Hill road, and the Manawatu Gorge or Pahiatua Track, all three of which are closed by bad weather from time to time.

Of the 39000 people in the Wairarapa, 22600 live in Masterton, where the bulk of health service providers are also located. The rest of the population is widely scattered across Wairarapa, with very poor or non-existent public transport links. Provision of reasonable access to Primary Health services in rural communities is a constant challenge.

Key demographic features of Wairarapa population include:

- A static, or very slightly declining population overall
- A slowly increasing Maori population.
- Maori population expected to grow 10.7 percent in the next 10 years.
- Total population expected to decrease by 1.9 percent in the next 10 years.
- Over 55 Maori population expected to grow 41.4 percent in the next 10 years.
- Total over 65 population expected to grow 20.1 percent in the next 10 years.
- Similar overall mortality rate for Maori in Wairarapa relative to New Zealand Maori.
- Lower overall mortality rate for non-Maori in Wairarapa relative to NZ non-Maori.
- A very small Pacific population – 760 Pacific people.
- Around 8000 people in Wairarapa have a disability<sup>2</sup>

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<sup>1</sup> Wairarapa District Health Board Policy Prioritisation Principles and Process

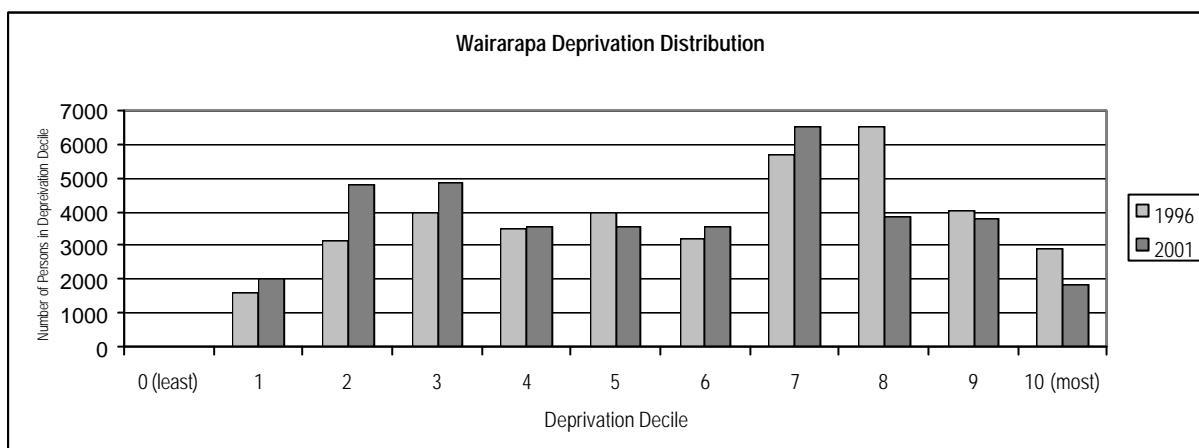
<sup>2</sup> Inferred from New Zealand Disability survey 2001

- Higher percentages of young and older people than New Zealand
- Higher percentage of non-Maori elderly than New Zealand non-Maori elderly.

The population mix is predicted to change over the next few years, with increasing percentages of older and younger people, and increasing numbers of Maori. These are the groups that have the greatest needs for health and disability services.

### Deprivation Levels

The Wairarapa population is more deprived than that of New Zealand as a whole even though the overall deprivation level has reduced between 1996 and 2001. The number of people in deciles one and two (the least deprived) has increased by 44%, and the number of people in deciles nine and ten (the most deprived) has reduced by 19%.



### 1.7 The Wairarapa's Health Needs

As can be seen in the deprivation table above, the Wairarapa has significant poverty. Our health needs analysis and other anecdotal information indicates that use of primary health services by these groups is inadequate or non-existent, and that they have high levels of avoidable hospital admissions. We need to develop services that are better targeted towards increasing access by these groups, so as to reduce inequalities in health outcomes.

Our health needs analysis also shows that Wairarapa residents have slightly lower life expectancy across all groups than New Zealand as a whole. Wairarapa residents are also less likely to have educational qualifications than those living in other provincial/rural districts. There is a strong correlation between educational attainment and health status.

The table that follows summarises information on health status needs of the Wairarapa in relation to each of the 13 priorities of the New Zealand Health Strategy. The information for this table was drawn from the DHBS health needs assessment report.<sup>3</sup>

<sup>3</sup> An assessment of health needs in the Wairarapa - published October 2001

New Zealand Health Strategy Priorities and Other Specific Maori Priorities	Wairarapa District Health Status and Needs
Reduce smoking	Higher smoking rates for all groups than New Zealand average, particularly females aged 20-24
Improve nutrition Reduce obesity Increase physical activity	No Wairarapa specific data available
Reduce suicide Improve health of those with severe mental illness Reduce harm caused by alcohol and drug use	High rates of hospitalisation for self harm. High rates of hospitalisation for alcohol related conditions, and high mortality.
Reduce impact and incidence of cancer Reduce impact and incidence of cardiovascular disease Reduce impact and incidence of diabetes	Higher death rates from lung cancer. Higher death rate from cervical cancer. High rates of hospitalisation for cardiovascular diseases and stroke. Very high incidence of diabetes. Hospitalisation rate for diabetes 50 percent above national average.
Improve oral health Hearing	Fluoridated water supply to Masterton urban areas only. Very good uptake of child dental services Oral health better than New Zealand average at year 8 (form 2) Hearing indicators better than NZ average
Ensure access to child and family health services Improve immunisation rates Injury prevention Reduce incidence of asthma Rangatahi health Sexual and re- productive health	High numbers of infant and child deaths. High hospitalisation rate for burns in young children Much higher prevalence of asthma than New Zealand average. High rate of hospitalisation for immunisation preventable conditions. Good Well Child provider coverage and contact rates. High teen pregnancy rate. High rates of injury and deaths caused by motor vehicle accidents. High rates of injury.
Reduce violence	Crimes of violence rate 50 percent higher than all New Zealand.

## Disability Needs

There is almost no information available yet about the incidence of disability and needs at local Wairarapa level. The information provided here has been taken from the 2001 New Zealand Disability Survey. This survey provides an overview of disability across the whole New Zealand population and covers people living in both households and residential care facilities.

### Who has a Disability?

- One in five New Zealanders has a disability. This figure has not changed since the 1996/97 survey.
- One in five Maori have a disability. The disability rate for Pacific peoples is one in seven.
- Disability increases with age:

Age Group	% reported as having a disability
0 to 14 years	11%
15 to 44 years	13%
45 to 64 years	25%
65 years and over	54%

- The rates of disability for Maori in some age groups are higher than the national rates. 33% of Maori aged 45 to 64 years reported a disability compared with 25% of the total population in the same age group. 65% of Maori aged 65 years and over reported a disability, compared with 54% of the total population.
- The disability rates for males and females are the same.

Where do people with disabilities live?

- 4% of people with disabilities live in residential facilities, 96% live in households.
- 70% of those people with disabilities, who are in residential facilities, live in rest homes.
- The number of people with disabilities living in mental health facilities has halved from 1,000 in 1996/97 to approximately 500 in 2001.

What types of disabilities do they have?

- 60% of people with disabilities have more than one disability. People living in residential facilities are more likely to have multiple disabilities than those living in households.
- Physical disabilities remain the most common type of disability. 66% of adults with disabilities reported some kind of physical disability. Sensory disabilities were the next most common at 40%.
- The leading cause of disability is disease or illness (40%), followed by accident or injury (30%).
- The number of people with mild disabilities has decreased from 60% in 1996/97 to 42% in 2001. The number with moderate disabilities has increased from 28% to 43%. The number of people with severe disabilities has increased from 12% to 15%.

From this information, assuming the incidence and impact of disability in Wairarapa matches national averages, we can estimate that 7800 people living in Wairarapa have some kind of disability, and that 1308 of them are Maori, and 108 are Pacific people.

## **1.8 Key Issues Impacting on this Plan for 2004 / 2005**

The key service planning and delivery issues facing the Wairarapa DHB as it considers how to best meet needs in 2004/05 relate to:

### **Financial Viability**

Achieving its financial targets and progressing towards breakeven a primary DHB objective for 2004/05.

For the funder there are four key issues that are likely to impact on financial viability:

#### *Expenditure on Pharmaceuticals and Pharmacy Services*

On the funding side there are high risks arising from uncapped demand for fee-for-service payments for primary care services. Unmanaged expenditure on pharmaceuticals is the DHB's biggest financial risk. During 2003/04 a project team has been set up to develop and implement strategies to address this. The DHB, the Wairarapa Community PHO and local pharmacists will continue to work together and implement systems to control expenditure on pharmaceuticals during 2004/05. In expectation that this will be effective, a lower level of growth in pharmaceutical expenditure has been budgeted for 2004/05.

#### *DSS for Older People*

The DHB also has concerns about its ability to manage DSS expenditure within the baseline funding devolved. This DAP assumes that the funding provided for DSS in 2003/04, 2004/05, and out-years, will be sufficient to meet the costs of service provision that was current and planned at the time of devolution. The DHB needs to ensure that service utilisation and expenditure is managed within these parameters. The DHB funder works closely with the local NASC agency to ensure this is achieved.

### *Chronic Medically ill*

Previous financial arrangements for DHB provision were based on residential care costs, with no provision for equipment or housing modifications. These funding restrictions have created an increasing gap between service provision and needs.

### *New National Price Book*

On 9 March 2004 DHB's received a new national price book for all health and disability services funded by DHB's. This advised significant increased prices overall. The price growth indicated is greatly in excess of DHB funding growth. Application of the new national prices will necessarily impact adversely on the volumes that are affordable. Further discussions are needed at national, regional and local level to assess this and determine how to proceed within Wairarapa. This plan assumes piece growth is limited to align with funding growth.

### *Holidays Act 2003*

The Holiday Act became operational on 1 April 2004. It increases the costs of most service providers. Providers are invoking clauses in their service agreements that enable them to seek a variation to the agreement where there has been any change in the law that has a material impact on the provision of services, including the costs of providing services. DHBs and the Ministry of Health need to work together to agree solutions to this issue.

For the DHB provider the main challenge is cost containment and achievement of forecast efficiency gains.

### *MECAs*

National and regional wage settlements create significant threats to the financial status of the DHB as salary expectations and market rates are growing more strongly than the DHB's funding.

## **Change Management and Maintaining Services During Site Redevelopment**

During 2004/05, all services at Masterton Hospital will be redesigned to reflect the Partnership Model and provide better integration and joint working with other providers. At the same time building works will commence. Progressing the change management process and ensuring services continue to be provided through the facility re-building phase are key challenges for 2004/05.

## **Workforce Issues and Clinical/Service Viability**

The ongoing maintenance of service provision is an issue for both the funder and for the provider services. All services in Wairarapa have difficulties in recruiting and retaining staff with the appropriate skills and expertise. The funder must address risks of failure by other providers so as to ensure continuity of quality care for consumers; and within the DHB provided services there are risks arising from recruitment and retention difficulties and unforeseen and uncontrollable absences of key clinical staff. Recruitment and retention within affordable financial parameters is a key issue. The DHB has been instrumental in the establishment of a bachelor of nursing programme delivered by UCOL in Masterton that commenced in February 2003. The DHB has put in place a skills laboratory and special programmes to support the students enrolled in the nursing programme.

During 2005/05 we will continue working towards solutions for the DHBs workforce issues through implementation of the Partnership Model and continuing support for development of the local workforce, in conjunction with UCOL.

## **Quality, Certification and Accreditation**

Achieving accreditation and certification by October 2004 will be a challenge for both the DHB and community providers. The DHB is working with its contracted providers to support them in this. This will be a key focus for the first quarter of 2004/05.

## **Keeping a Strong Focus on Diabetes**

Previous plans have identified that the Wairarapa population has many more people suffering from diabetes than was estimated previously, many of whom are not registered with a general practitioner. Diabetes is a particular issue among Maori who are more susceptible to renal complications than are non-Maori. During 2003 identification and treatment of people with diabetes has increased. This progress will be built on further in 2004/05.

## **Transport**

Transport to health and disability services is a significant concern for most groups in Wairarapa. Public transport within the Wairarapa is very limited. The population is largely rural and 12 percent of households do not have cars.

During 2003/04 a DHB consumer advisory group has completed a report that reviewed and clarified transportation issues. The DHB and Local Authorities are jointly addressing their recommendations during 2004/05.

## **Health of Older People**

More holistic services that will support this growing group of people in a range of living environments need to be developed. Devolution of funding responsibility for DSS for older people and removal of the DSS ring fence requirements during 2003/04 have provided the DHB with the opportunity to address older people's need for health and disability services in an integrated way. During 2003/04 a plan for Health of Older People has been completed. This shows how the DHB will develop an integrated continuum of care. Implementation will commence in 2004/05.

## **Mental Health**

Public consultation and service performance monitoring over the last two years have revealed major problems in the organisation and delivery of Wairarapa's mental health services. Access to services is inadequate. Services are fragmented and of variable quality. There are serious concerns about clinical and financial viability of services. During 2003/04 a new strategic plan for Wairarapa's mental health services has been completed. Implementation will commence in 2004/05. This will result in major changes in service organisation and delivery.

## **Primary Health Care**

The community has high expectations that access to primary health care services will improve under the Primary Health Organisation structure. The establishment of the PHO in January 2004, and provision of funding for services to increase access allows for initiatives to be developed, and implemented, to increase access and uptake of primary health care. During 2004/05 the DHB will work collaboratively with the PHO to ensure that all Wairarapa services become better integrated and holistic.

## **Critical Mass and Diseconomies of Small Size**

Wairarapa is the second smallest DHB in New Zealand. To meet all of the national requirements for planning, service provision and coverage, quality systems, monitoring, reporting and compliance with only the limited resources available to a small district health board is a constant challenge for both the funder staff and the provider services of the Wairarapa DHB. A further problem arising from small size is reduced ability to absorb fluctuations in need for services, and in the personnel available to provide services. This leads to disproportionately large volatility in activity levels that often cannot be smoothed out over a single year. The diseconomies of scale and rurality adjuster, included in population based funding, goes a small way to making provision for this. During 2004/05 the DHB will work with the Ministry of Health to review this adjuster.

Another funding issue is Ambulance services. Wairarapa is one of only three DHBs that funds and provides its own Ambulance service from within its population based funding allocation. The Ministry of Health funds ambulance services in other districts. Although the Ministry of Health is reviewing funding of Ambulance services, this plan assumes the status quo is maintained.

## **Supporting Community Development and Population Based Approaches**

We will continue to work towards the DHBs vision of “Well Wairarapa” through linkages with other sectors and agencies so as to support strategies and activities that address the wider determinants of health and well-being. In 2004/05 this will include working with local government, education, police and social service agencies on issues such as transport, employment opportunities, sport and recreational facilities, and inter-personal violence.

### **1.9 Monitoring the DHB’s Performance**

The DHB monitors and reports its performance against its District Annual Plan through a wide range of monthly, quarterly and annual reports.

Our performance monitoring and reporting systems relate to:

- Internal management and reporting to the DHB Board
- External reporting of financial performance against the three output classes
- External reporting of the population’s health and other indicators.

The DHB’s approach to managing each of these is:

#### **Internal Management**

A balanced mix of financial and non-financial indicators covering the whole range of the organisation’s operations are measured and reported monthly to senior management and the Board.

Areas of focus in the internal measurements of performance are:

- **Financial:** Ensuring that finances are well managed and performance against budget is reviewed
- **Consumers:** Ensuring we are doing the right things to meet the DHBs consumer’s needs – through regular surveys of consumer satisfaction and monitoring of complaints and compliments.
- **Internal Processes and Systems:** Ensuring that the things we do meet contractual requirements, and the objectives set out in this District Annual Plan, are performed efficiently, and accurately, and done on time.
- **People, Learning and Growth:** Ensuring the people in the organisation possess the core competencies, skills and knowledge to be able to deliver agreed objectives.

Performance is monitored monthly at multiple levels throughout the organisation, Variances to target are accounted for and corrective actions embarked upon where appropriate.

#### **External Reporting of Financial Performance**

Financial reporting complies with the Ministry of Health’s reporting guidelines including the monthly reporting of financial performance. These guidelines specify separate reporting requirements for each output class and a consolidation for the whole DHB.

#### **External Reporting of the Population’s Health and Other Indicators**

The Wairarapa DHB reports to external parties following the DHB Indicators of Performance set by the Ministry<sup>4</sup>. These indicators focus on measuring non-financial DHB performance in the Governments priority areas, as identified in the New Zealand Health Strategy and the Ministers stated annual expectations.

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<sup>4</sup> Details of IDPs in section 6 of this plan

The current set of DHB performance measures focus on national priority areas where the DHB is responsible as the funder. These performance measures and related targets have been incorporated in the objectives templates for each area in section 3.4 of this plan. In addition, other aspects of financial and provider arm performance are reported quarterly through the Balance Scorecard.

Also, the DHB supplies data to the Ministry for a number of service or disease specific reports collated by the Ministry, including data relating to elective surgical services and waiting times.

The DHB reports to its community and other stakeholders through its Annual Reports and other ad hoc publications.

## **1.10 Consulting with the Community**

Community engagement and consultation are fundamental to good decision-making and development of effective plans. Consultation is both a process towards, and a key component of, community engagement. The Wairarapa DHB aims to fulfill its obligations to consult in positive ways that result in decisions leading to better or more appropriate services, improved health outcomes, and increased value for money.

The main purpose of consultation is to enhance the quality of planning and decision-making by enabling the community to review and contribute to these processes. Consultation should also contribute to increased community understanding of the role of the Wairarapa DHB, the parameters and constraints within which it operates, and the overall direction of national health policies and strategies.

The Wairarapa DHB consultation policy covers both formal and informal consultation processes. These include: advisory groups, focus groups, hui, public meetings, workshops, surveys, informal communication with individuals and groups, and provision of written information for comment and submissions. The choice of process or processes used for any particular project or issue is dependent on the purpose of the consultation, the groups that are affected, the complexity of the issues involved, and the significance of the consequences of the decisions to be made – how many people will be affected and to what extent.

There are specific requirements for consultation with Maori. The Mana Whenua Caucus, the Maori Health Committee, and the Director Maori Health advise on and guide the DHBs plans and processes for consulting with Maori. This consultation, while recognising the Wairarapa DHB's Treaty partnership with mana whenua, is also inclusive of mataa waka.

There are also specific requirements for consultation with disabled people. Consultation must occur in accessible settings and a variety of communication methods may be required.

Consultation occurs when we are:

- Initiating new policies, services or plans
- Making significant changes to existing policies, services or plans
- Establishing priorities
- Making significant changes to the range, type or access to services
- Proposing changes in methods of contracting.

The Wairarapa DHB principles for consultation are:

- Consultation processes will be open and transparent
- Consultation will be interactive, participatory and based on partnership
- Input sought through consultation will be valued and respected
- There will be clear connections between consultation inputs and decisions made
- People may choose whether or not to be involved in the consultation process
- The Wairarapa DHB will make clear what has already been determined, and what is non-negotiable at the outset of the consultation

- National level policy directions, objectives and requirements will be made explicit in all local consultation so that participants are informed of the constraints and parameters within which local decisions about needs and priorities have to be made
- The Wairarapa DHB will not ask for information or input it will not use.

In determining the design or process for each consultation the following questions are considered:

- Why are we consulting – what do we want to know?
- What will we do with the information?
- Who/which groups of people should we consult?
- What is the best method to reach these people?
- What information do they need to enable them to respond?
- What is the most appropriate way to provide the information to them?
- What is the best process for gathering their responses?
- How will feedback and responses and be recorded and analysed?
- What is the timeframe?
- How will feedback be given to those consulted?

Specific groups have been established over the past three years to facilitate the consultation process including:

### **Mana Whenua Caucus**

There are specific requirements for consultation with Maori. The Mana Whenua Caucus works in association with the Maori Health Committee, and the Director of Maori Health, to advise on and guide the DHBs plans and processes for consulting with Maori. This consultation recognizes the Wairarapa DHB's Treaty partnership with Mana Whenua.

### **Service Advisory Groups**

In addition to its consultation policy, the Wairarapa DHB has a number of processes in place to enable engagement with the community and special interest groups. A number of groups meet regularly with Wairarapa DHB staff. These include: the local mental health advisory group, local diabetes team, respiratory services advisory group, and the FOCUS advisory group.

During the 2003 / 2004 year several new advisory groups were established. These include the following; Pregnancy and Parenting Education, Sexual Health Service Revaluation, Wairarapa Youth Advisory Group, and The Health of the Older Person Advisory Group.

### **Intersectoral Working Groups**

Wairarapa DHB staff also meet regularly with other groups and organisations including: Strengthening Families, Youth Offending Team, Violence Free Wairarapa, Wellington Region Leaders Forum, and Wairarapa Territorial Local Authorities Chief Executives group.

Significant public consultation will continue to take place regarding the plans for the site redevelopment of the Masterton Hospital.

Issues the DHB intends to consult on publicly in 2004 /2005 include the Site Redevelopment project, the District Strategic Plan and the Wairarapa Health Needs Assessment.

### **Pacific Participation**

The Wairarapa DHB must ensure that the needs and issues of the growing numbers of Pacific people are considered and responded to effectively and appropriately. The Wairarapa's Pacific population is small and diverse and currently comprises only 1.7% of the population with an estimate that this will grow to 1.9% over the

next ten years. There are no Pacific service providers, and Pacific people, like Maori, are very under-represented among the staff of mainstream providers. The Wairarapa DHB is working to develop its links with Pacific communities, to ensure they have opportunities to participate in planning.

Proposals for ensuring improvements in service responsiveness to Pacific people are being discussed with other DHBs. It is unlikely the Wairarapa will have local dedicated Pacific services within the foreseeable future. A possible option is to arrange for Pacific services in Hutt, Wellington, and Porirua to provide liaison, advice and support on cultural matters to Wairarapa mainstream services that have Pacific clients.

### **1.11 Collaborative Arrangements**

For the Wairarapa, strong co-operative regional and sub-regional relationships are essential to ensure that full and efficient service coverage is maintained for Wairarapa residents through access to the services provided and/or funded by other DHBs, and to provide and promote specialist back-up and peer review for services delivered in the Wairarapa. Particularly close links have been established with Hutt Valley DHB. Wairarapa and Hutt Valley DHB's have a memorandum of understanding to work together.

The Wairarapa DHB is committed to:

- Sharing of resources with neighbouring DHBs and with other providers
- Working collaboratively with all central region district health boards
- Working collaboratively with the Ministry of Health
- Working collaboratively with DHBNZ.

### **National Collaboration**

Wairarapa DHB works with a number of sections of the Ministry of Health including Te Kete Hauora and maintains a strong working relationship with its account manager. The DHB participates in a number of Ministry projects and reviews.

Wairarapa DHB is also an active participant in a number of DHBNZ work programmes to develop consistent approaches to implementation of national health policies and strategies. These include

- Workforce development
- Advancing the Primary Health Care Strategy
- Developing and reviewing nationwide service agreements
- Negotiations with PHARMAC
- Pricing projects
- Industrial relations
- Aged residential care contract review
- Oral Health Services contract review
- HWAC and DHBNZ Workforce Action Plan
- Tumu Whakarae.

Wairarapa DHB maintains an interest in the overarching DHBNZ Workplan and is a regular participant in Chairs and CEOs meetings to review progress.

### **Working with PHARMAC**

Wairarapa DHB recognizes its statutory responsibility to act consistently with the pharmaceutical schedule and to support PHARMAC in its role to maintain and manage the schedule. The DHB supports work being done by DHBs and PHARMAC to enable more equitable access to pharmaceuticals across hospital and community settings, and development of consistent criteria for access to cancer drugs.

## **Regional Collaboration**

Wairarapa DHB works closely with the Central Regions Technical Advisory Service –TAS, and the other Central region DHBs on a wide range of issues.

TAS was established with Ministerial approval in 2001 as a limited liability company under the Companies Act 1993 and is jointly and equally owned by the six DHBs in the central region. Each DHB participates in its governance through the board structure. The purpose of TAS is to provide the central region's DHBs with expert advisory services through health information, service planning and external service audit functions to support local DHB decision-making. It does not have a mandate to make purchasing decisions. TAS also undertakes audit services for DHBs – reviewing and monitoring the contract performance of service providers, with the emphasis on quality and patient / community outcomes.

Fee based Service level Agreements have been developed between TAS and each DHB to agree the relative priority and detail of any other activities that may be undertaken for an individual DHB. The cost of providing these services are expected to remain at levels similar to those in 2003/2004 and no equity requirements are anticipated.

Planning and Funding General Managers maintain a common work programme with TAS. Regional collaboration includes involvement in the following joint regional groups and projects:

- Referred Services Management
- Regional Capital Committee
- Provider audit programme
- Regional Mental Health Network
- Regional review and development of certain surgical services
- Regional laboratory services review
- Information Strategic Systems Planning
- Sharing of policies and workforce development opportunities
- Joint recruitment and retention initiatives
- Industrial relations, including MECA negotiations
- Purchase of textile services from Allied Laundry, an entity owned by four DHBs
- Regional Māori Health Directorate.

During 2003/04 Wairarapa DHB has developed a closer working relationship with Hutt DHB, with which it has a heads of agreement and an increasing range of collaborative arrangements for staffing and provision of services jointly across the Masterton and Hutt Valley hospital sites.

Wairarapa DHB is committed to further developing its relationships and working alliances with neighbouring DHBs. Further development of these relationships and consolidation of the efficiency gains to be realized through increased joint working is fundamental to the DHB's site re-development project.

## **Local Collaboration**

At a more local level the DHB works intersectorally to advance initiatives in the community that will improve the health of this region and contribute to whanau ora. The DHB works with the Masterton District Council and other Local Bodies, WINZ, UCOL, the Police and many community organisations.

The DHB is an active participant in a many inter-sectoral groups and projects, including:

- Violence Free Wairarapa
- Strengthening Families
- Youth Offending Team
- Project Probe
- Healthy Homes
- Wairarapa Disability Roadshow

- Transport project.

During 2003/04 the DHB has worked closely with UCOL to develop a bachelor of nursing programme offered at Masterton from February 2004.

Since the inception of the DHB in 2001 we have formed increasing links with the three Wairarapa District Councils and the Wellington Regional Council and share information and planning in relation to socio-economic and environmental development policies and their impact on health, wider regional planning in emergency civil defence responses, improvement of transport, and understanding the needs of the population.

In 2004/05 we look forward to collaborating closely with local authorities as they prepare their long- term council community plans. Mechanisms to facilitate this already exist through both formal and informal linkages at governance and operational levels.

## **1.12 Our Key Risks and Mitigation Strategies**

The nature and complexity of the DHB's activities and services mean that it is inevitably exposed to a wide variety of risks. Some of these risks are more acute in Wairarapa than elsewhere due to the small size of the organisation, small workforce and small funding base.

Sustainable delivery of health services in the Wairarapa in the future is dependant on two key drivers:

1. The service and efficiency gains made through the redevelopment of the DHB's site in Masterton, and
2. The recruitment and retention of an appropriately qualified and experienced workforce.

The DHB is exposed to significant risks if either if these two drivers performs negatively.

Firstly, the redevelopment of the DHB site in Masterton is central to the ability of the DHB to achieve financial breakeven. As the project nears completion in 2005/06 it is forecast that the financial efficiencies that will result from the remodeling of all services provided will ensure the long-term viability of the DHB. There are two critical risks inherent in this assumption:

- Efficiencies may not be realized to the full values expected
- Project delays may mean the efficiencies are not delivered within the timelines expected

Secondly, the delivery of health services in the Wairarapa is dependant on the DHB's ability to recruit and retain clinically qualified staff. While issues around maintaining a stable clinical workforce are not peculiar to the Wairarapa, the impact on our DHB is significantly higher than for other DHBs due to the lower establishment numbers of any one type of clinical staff. The DHB can be left unable to provide services, or struggling to find locums, as a result of illness or a person leaving their position.

The DHBs major risks in 2004/05 are of:

- Inability to recruit clinical staff
- Delays in site re-development
- Failure to achieve certification
- Not being able to maintain full service delivery through a period of intense change
- Not meeting financial targets

These and other key risks are outlined in the table that follows, together with DHBs mitigation plan for each.

Risks	Mitigation
<p><b>Clinical Risk</b></p> <ul style="list-style-type: none"> <li>• Inability to recruit and retain specialist staff has the potential to impact on quality and volume of service</li> <li>• Pressure on clinical establishments and unfilled vacancies may lead to lack of resources committed to clinical improvement activities</li> <li>• The size and scope of service delivery may limit clinicians ability to ensure best practice standards</li> <li>• PHO fails to deliver planned initiatives to increase access and services</li> </ul>	<ul style="list-style-type: none"> <li>• 'Workforce Action Plan' to be developed</li> <li>• Shared staffing arrangements with other DHB's</li> <li>• Clinical Board to oversee and develop clinical initiatives</li> <li>• Prioritisation of clinical quality improvement activities via the development of Clinical Board Action plan</li> <li>• Further development of credentialing framework</li> <li>• Encouraging clinicians to establish peer relationships with colleagues from other Health and Hospital Services and to actively participate in study and education opportunities</li> <li>• Close liaison with PHO with regular monitoring and reporting of PHO progress and performance.</li> </ul>

<p><b>Operational Risk</b></p> <ul style="list-style-type: none"> <li>• Inability to maintain operational capacity due to recruitment and retention difficulties.</li> <li>• Staff practicing outside their area of competence.</li> <li>• Staff absenteeism due to sickness, stress etc.</li> <li>• Failure to maintain operational capacity due to not meeting standards and regulations.</li> <li>• Service volumes delivered by Masterton Hospital fall below those set out in the price volume schedule</li> <li>• Insufficient critical mass (service volume, revenue and resources) for sustainable service delivery</li> <li>• Failure to maintain operational capacity due to unexpected information technology malfunctions</li> <li>• A provider goes out of business with disruption of services to consumers.</li> <li>• Public expectations exceed the Wairarapa DHB's ability to fund and provide services.</li> <li>• There are inadequate resources to meet all Planning and Funding responsibilities – development of capability and capacity does not meet expectations.</li> <li>• Inability to maintain full service delivery during site re-development</li> <li>• Site redevelopment does not meet expected timelines</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring fair and consistent human resource practices that value staff and their contribution to the organisation</li> <li>• Succession planning, and internal workforce development planning</li> <li>• Initiating competency assurance systems including credentialing, professional development and competency programmes</li> <li>• Adoption of best practice to manage sickness absence</li> <li>• Monthly monitoring of provider performance and quarterly wash-ups carried out.</li> <li>• Ensuring that maintenance is completed within agreed parameters and undertake a planned preventative maintenance programme</li> <li>• Ensuring unplanned outages are kept within acceptable parameters and deal with maintenance requests in a timely manner</li> <li>• Alternative sources of service provision are found and accessed as soon as possible.</li> <li>• Information regarding planning parameters and constraints is made available widely.</li> <li>• Consultation processes are well managed, and focused on areas where the Wairarapa DHB has discretion.</li> <li>• Planning and Funding team will optimise opportunities to work jointly with other DHBs and TAS to ensure that they are working as efficiently as possible</li> <li>• Good planning and change management strategies</li> <li>• Strong project management monitoring and oversight</li> </ul>
<p><b>Financial Risks</b></p> <ul style="list-style-type: none"> <li>• Efficiencies specified in the site development business case do not eventuate as planned and/or are delayed</li> <li>• Expenditure on fee-for-service primary care services exceeds revenue</li> <li>• Unavoidable wage movements or other</li> </ul>	<ul style="list-style-type: none"> <li>• Change manager appointed</li> <li>• Clearly delegated responsibilities for achievement of each efficiency action</li> <li>• Monitoring of progress and regular reporting</li> <li>• Work with PHO to develop and implement budget management systems for all referred services</li> <li>• Develop and implement local pharmacy services agreement</li> <li>• Use Central Region referred services database to track expenditure monthly, by provider</li> <li>• Accurate analysis and forecasting of full effects of potential wage movements and impact on achievement of financial targets. Analysis</li> </ul>

<p>substantial cost escalation.</p> <ul style="list-style-type: none"> <li>• Salary and wage movements in DHB provider sector create cost pressures in NGO sector</li> <li>• Employment agreements exceed financial boundaries</li> <li>• Inadequate cashflow .</li> <li>• Inability to manage cost pressures due to lack of risk reserve.</li> <li>• DSS expenditure exceeds revenue devolved and risk pool provides insufficient support</li> <li>• Diseconomies of scale insufficiently recognised in funding allocation.</li> <li>• Wairarapa Ambulance service funded with PBF allocation, unlike most other DHB's</li> </ul>	<p>reviewed and checked with other DHBS, and bottom line impacts discussed with Ministry of Health, prior to any settlements being agreed</p> <ul style="list-style-type: none"> <li>• Ensure likely flow-on costs of DHB MECA settlements are estimated and included in planning assumptions</li> <li>• Tailor prices and volumes to ensure services are financially sustainable</li> <li>• Cashflow actual and forecasts are updated on a daily basis</li> <li>• Careful cost control and monitoring of expenditure;</li> <li>• Production planning and contract monitoring to ensure contract volumes are completed;</li> <li>• Alteration of cash disbursement profiles as required and agreed with Ministry of Health</li> <li>• Deficit support</li> <li>• Work with Ministry of Health and other DHBS to identify risk pool requirements</li> <li>• Monitor and track all expenditures monthly</li> <li>• Ensure FOCUS manages demand within budget so far as this is compatible with Ministry Guidelines</li> <li>• Work with the Ministry of Health to ensure the diseconomies of scale adjuster in the PBFF is reviewed</li> <li>• Work with Ministry of Health to find equitable funding solution.</li> </ul>
<p><b>Compliance Risks</b></p> <ul style="list-style-type: none"> <li>• Failure of providers to meet certification standards by October 2004</li> <li>• Failure to comply with relevant legislation (Health Practitioners Competency Assurance Act, and Health and Disability Services Safety Act)</li> <li>• Performance of any contracted provider does not meet service quality requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Providers to submit timetable for certification audits</li> <li>• Certification results and action plans developed prior to October 2005</li> <li>• Workforce development Plan</li> <li>• Legislative compliance programme</li> <li>• Work with the provider to ensure quality standards are met and maintained. Where requirements cannot be met, make alternative arrangements for service provision.</li> </ul>

## 2. ENSURING SERVICES FOR THE DHB'S COMMUNITY

This section sets out the key activities the DHB will undertake during 2004/05 to ensure that the Wairarapa population continues to have access to the full range of services as were provided in 2003/04, and achieve the DHBs overarching objectives for 2004/05:

- Maintain progress towards breakeven and achieve financial targets
- Improve access to services and health outcomes for key groups
- Progress re-development of Masterton Hospital while maintaining service delivery
- Implement the Partnership Model and increase integration
- Improve quality and achieve accreditation
- Develop Wairarapa's health and disability services workforce.

### 2.1 Key Funding Issues Impacting on the DHB's Activity in 2004/05

#### 2.1.1 Funding limitation

For 2004/05 Wairarapa DHB will receive, through the Crown Funding Agreement, its full PBF equitable share of DHB funding. This funding envelope amount of \$68.298M is 3.75% above the funding received for 2003/04. The funding envelope advice for 2004/05 shows that the DHB can expect to receive growing funding over the next three years as follows:

	CFA Funding	Growth rate
2004/05	\$68.298M	3.75%
2005/06	\$70.779M (indicative)	3.70%
2006/06	\$72.902M (indicative)	3.0%

In addition there are several other revenue items that together bring the DHB's available funds for 2004/05 up to \$72.67M.

The table below summarises at a high level the allocation of this funding that is planned for 2004/05:

Demand driven primary care items	\$8.44M
DSS aged care fee-for-service	\$5.73M
NGO contracts	\$6.92M
DHB provider	\$34.62M
Governance and Funding administration	\$1.67M
Net Inter District Flows	\$15.30M
Total	\$72.67M

The table above shows planned disposition of the DHB's Funding Envelope, advised December 2003, and with IDF revisions as advised by the Ministry in mid February 2004.

The DSS revenue in the Funding Envelope is not sufficient for the DHB to continue funding of DSS service expansions that had been planned prior to devolution of funding responsibilities for DSS. The shortfall relates to funding for additional services for dementia and continuing care that were due to come on stream in the latter part of 2003/04 (dementia services), and during 2004/05 (continuing care services). The DSS component of the Funding Envelope for 2004/05 provides only sufficient funding to maintain services as provided at the date of devolution.

The Ministry has acknowledged the DHB's concerns in this regard and advised the DHB that it may expect to access funding for the additional dementia care services from the DSS risk pool. However details of this, and other measures to address DSS funding issues have still to be worked through. In the meantime the DHB cannot assume it will receive any further funding for the expansions in DSS services that were planned prior to devolution.

The DHB's funding allocation from Government of \$70,237,000 is \$2.960M more than was received in 2003/04. This sum is comprised of funding for demographic growth and funding for new technologies and changing costs of service delivery. DHBs are expected to demonstrate a mix of service growth (in line with national and local priorities) and compensation for unavoidable cost growth in their funding allocation decisions. Those DHBs that have deficits are also expected to give priority to deficit reduction rather than new service developments. Wairarapa DHB has allocated additional funding to child health, family violence and diabetes services, in line with its strategic priorities.

### **Community Paediatrician**

This is a new position to be established in July 2004, to enable the DHB to address serious unmet child health needs (as evidenced by our child health statistics) within the Wairarapa community and to meet the requirements of national policies for child and adolescent health. To date Wairarapa has not had any community paediatrician services. This new position is essential to lead development of community paediatrics and enable the momentum for positive change that has been created by publication of "Our Children –Their Health" to be sustained and built on. The position will work across primary, secondary and public health services as well as intersectorally to ensure programmes are co-ordinated and synergies between them are realised.

### **Family Violence Co-ordinator**

Family violence is a serious issue in Wairarapa. During 2003/04 a part-time, temporary child protection co-ordinator position was put in place within Masterton hospital to oversee development of policies and protocols for identification and reporting of suspected child abuse and other inter-personal violence. This temporary position was funded through re-allocation of funding for a physiotherapy position that was vacant temporarily. It has now become very clear that the DHB needs a permanent family violence co-ordinator to work across all DHB services, including those provided in the community, to lead and co-ordinate a range of programmes to detect and address violence. Establishment of such a position on a permanent basis will enable the DHB to:

- Participate more fully and effectively in Violence Free Wairarapa
- Lead Violence prevention work, as well as identification and reporting
- Work with the Wairarapa PHO and intersectorally
- Meet the Ministry's requirements.

### **Diabetes Additional Volumes**

During 2003/04 the DHB's targets for identifying people with diabetes and enrolling them in treatment and management programmes have been exceeded. Increasing access to, and uptake of, services requires that service volumes be increased for diabetes education and management programmes and for podiatry services. Reducing the impact of diabetes is a Wairarapa DHB Strategic Plan priority.

## **2.1.2 Pressures on Expenditure**

### **• Demand Driven Expenditure**

Fast, uncontrolled growth in expenditure on pharmaceuticals is the Wairarapa DHB's biggest financial risk. Over recent years expenditure has risen much faster than available revenue and severely constrained the DHB's ability to fund new initiatives and service developments in other areas. During 2002/03 and 2003/04, expenditure has grown at 9% per annum. This cannot be sustained. During 2003/04 plans have been developed to tackle the problem. These will be implemented in 2004/05. The DHB has committed to achieving a reduced level of growth (5%) in expenditure on pharmaceuticals in 2004/05. This is explained further in section 3.4.14.

- **DSS Expenditure on Care for Older People**

Funding for DSS for older people was devolved to DHBs on 1 October 2003. Previously the Ministry of Health had operated regional rather than district budgets. Local district variations and fluctuations in expenditure were accommodated easily within the much larger national and regional budgets. Although DHB experience of DSS funding responsibility is limited to just a few months, within Wairarapa there are growing indications that the DSS funding devolved to this DHB will be insufficient to meet actual and planned levels of expenditure in 2003/04. At the time of writing it is not known to what extent this will be met through end of year regional wash-ups and the DSS risk pool. The Ministry has advised that DHBs should assume in their DAPs that these issues will be resolved fully.

- **Labour Cost Increases**

Wage and salary costs comprise the largest element of health sector expenditure. Traditionally remuneration levels have been lower in Wairarapa than in bigger urban areas, and across the Central region have been lower than in the north. There is strong pressure from unions to eliminate these differences and bring all remuneration levels within DHB provider services up towards Auckland levels. Wage and salary movements within DHB provider arms have flow-on implications for the NGO sector, including aged care providers.

The bulk of salary and wage movements are negotiated through multi-employer collective agreements (MECAs). This presents both costs and benefits for us. While Wairarapa DHB is able to step outside the MECA and negotiate a separate agreement to do so weakens the DHBs bargaining position. However being a party to the MECA means that the best settlement for the group of DHBs as a whole may not be in the best interests of Wairarapa in regards to the DHBs ability to meet its financial targets. In the interests of Central region DHBs collectively, we have recently agreed to MECA settlements well above what is affordable for Wairarapa. Settlement of the nurses' MECA has deteriorated our financial position and we have had to reduce proposed funding of services so as to remain within plan. Other MECA settlements are pending and pose further risks.

- **Inter District Flows (IDFs)**

Wairarapa, as a very small DHB, is itself unable to provide the full range of services its population might need. It relies very much on Wairarapa residents being able to access more specialised secondary and tertiary services in larger centres, particularly Hutt, Wellington, Porirua, and Palmerston North. Wairarapa DHB funds the other DHBs for these services to the value of about \$16 million per year, over 20% of the DHB's total funding. This is very much greater than the value of services provided by Wairarapa DHB for residents of other districts (about \$2 million per year). Changes in national prices and volumes of IDFs can have major impacts on the DHB's financial position. All DHBs propose to move to payment for IDFs at the full new revised national prices over the next three years, the first partial movement will occur in 2004/05. Movement to payment of fully revised national prices for all IDFs is likely to have significant financial consequences for Wairarapa. During 2004/05 we will continue to work closely with other DHBs and the Ministry to prepare for this.

- **Population Based Funding (PBF)**

Wairarapa DHB is now at equity with respect to its allocation under the PBF formula. Population numbers are the largest determinants of DHB funding. The small size and very low growth rate of the Wairarapa population provides a significant challenge. As DHB populations elsewhere grow faster the Wairarapa must expect to experience a shrinking share of total DHB funding in future years. The formula's rural/diseconomy adjuster is of particular significance to Wairarapa. Wairarapa DHB has concerns about how the funding for this is allocated between DHBs and expects this to be reviewed during 2004/05.

- **Site Re-development**

Following on from Ministerial approval of the business case, demolition and re-construction work at Masterton hospital is scheduled to commence during 2004/05 and continue until June 2006. During this period there will be considerable disruption in facility arrangements. While there is a strong focus on minimising disruption in

services for patients, and the community, there will be additional pressures on staff as every effort is made to maintain services.

### **2.1.3 Partnership Model, Change Management and Integration**

Development and implementation of the Partnership Model across all services formed the cornerstone of the business case for site re-development. During the second half of 2003/04, work has commenced to re-design and re-orient all services on partnership lines. This is an evolutionary change process that will continue through all of 2004/05. The Partnership Model aims to build continuums of care and new ways of working across all services encompassing all health and disability service providers in the Wairarapa. (For more detail on the Partnership Model see Wairarapa DHB's Business Case 2003, and associated Clinical Services Plan and Models of Care).

A change manager will work with all DHB staff and other providers, throughout the year, to progress achievement of the Partnership Model and better integration of services and providers.

We are committed to ensuring and providing health services and programmes that are better integrated, provide continuums of care, and operate seamlessly across geographical, professional and other boundaries, both within the sector and intersectorally. This will ensure better resource utilisation and more consumer focused services. Achieving this will require better communication and closer relationships between primary, secondary, and community services, and is likely to include joint planning, service delivery and evaluation of programme effectiveness.

The key focus for 2004/05 is to progress development of integrated services in:

- Health of Older People
- Child health
- Diabetes
- Respiratory disease
- Maori Health.

### **Workforce Issues**

Recruitment and retention of appropriately qualified and experienced staff pose challenges for the DHB and are expected to continue to do so during 2004/05. There are national and international shortages in key areas of the health workforce that impact particularly on smaller DHBs. In addition, in recent years, insufficient attention has been given to development of the clinical workforce within Wairarapa. This has resulted in lack of up to date knowledge and skills in some areas, including management. Implementation of the Partnership Model, the workforce development this requires, and closer working with neighbouring DHBs, are key strategies being put in place to overcome the DHB's recruitment and retention, and workforce development issues. A General Manager Organisational Development has been appointed to lead this.

Recruitment and retention difficulties in attracting appropriately qualified staff for disability support service providers (eg residential care) challenges their ability to meet required standards.

## **2.2 Planning Assumptions for 2004/05**

### **Demand Driven Expenditure**

For pharmaceuticals and community pharmacy services budget management will be implemented so that total growth in expenditure will not exceed 5% during 2004/05 and will be reduced to 3% per annum in 2005/6 and 2006/07.

## DSS Expenditure

DSS risk pool and inter-DHB wash-up processes will operate so that Wairarapa's DSS expenditure at year-end is within budget for 2004/05, 2005/06 and 2006/07. The DSS risk pool provisions for 2004/05 will be carried forward to 2005/06 and 2006/07. Given the uncertainty about accuracy of DSS funding baselines, the Ministry of Health will discount DSS factors in making assessments of the DHB's overall financial performance in 2004/05.

## STAT

Flows of services and funding in 2004/05 will be as advised in the Funding Envelope update of 16 February 2004. Six monthly wash-ups will operate for inpatient services only – this DHB acknowledges that the default position will apply, as set out in the Operating Policy Framework. There will be some changes in IDFs as ENT services are provided at Masterton hospital from 1 July 2004. These changes will be compensated for through the wash-up provisions.

## Site Re-development

Service delivery will be maintained and service volumes will be delivered throughout the year in accordance with the price-volume schedule appended.

## Workforce

The DHB provider will accommodate its workforce numbers and remuneration within the funding provided through the price volume schedule.

## PBF

Ministry of Health review of the rural/diseconomy adjuster during 2004/05 will have a neutral or positive effect on Wairarapa DHB's funding allocation for 2005/06 and beyond. If the review results in increased rural adjuster funding for Wairarapa the DHB will achieve break-even earlier than forecast in this plan.

## PHO

The Ministry of Health will provide PHO top-up funding additional to the Funding Envelope. PHO top-up funding received will match that expended.

## Mental Health

During 2004/05 we will progress implementation of a new model of mental health services for the Wairarapa. While the model for service delivery is likely to change, there will be minimal change in funding allocated to mental health services overall. The mental health ring fence will be maintained, and the DHB will observe all requirements in relation to the ring fence.

### 2.3 Addressing the New Zealand Health Strategy Priorities

The table that follows shows initiatives and projects that the DHB plans to undertake in the year ahead in relation to each of the New Zealand Health Strategy's 13 health priorities.

New Zealand Health Strategy Priority	Key Projects and Initiatives to be Undertaken in 2004/05
Reduce smoking	Promote smoke free schools and workplaces and support implementation of the Smoke-Free Environments Act (1990). Masterton Hospital campus will be smokefree on 1 July 2004 Raise community awareness of the harmful effects of tobacco consumption. Implement additional programmes in primary care to support individuals to stop smoking (PHO Initiative)

Improve nutrition	Expand the Health Promoting Schools programme to promote good nutrition in schools. Provide nutrition and physical activity advice, information and resources in a variety of settings. Implement strategies to increase duration of Maori breastfeeding.
Reduce obesity	Increase level of community action to support healthy food choices and increased levels of physical activity. Implement program to record and track incidence of obesity in the PHO enrolled population
Increase physical activity	Support the implementation of the health and physical education curriculum in schools. Continue Wairarapa Walking promotions
Reduce suicide rates	Promote Guidelines for Detection and Management of Suicide Risk with general practitioners and other primary health care workers. Develop recommendations for improved Mental Health services for youth via Youth Health Plan Ensure support for networks that work with Maori youth.
Reduce harm from alcohol and other drugs	Encourage primary care providers to promote safe/responsible drinking, and increase education about the adverse impacts of alcohol and drug misuse. Work with the Police and licensing authorities to develop targeted prevention strategies for identified at risk groups. Investigate options for increasing access to methadone programme. Implement local recommendations of Regional Alcohol and Drug Review
Reduce the incidence and impact of cancer	Increase enrolment in cervical and breast screening programmes. Ensure provision of culturally appropriate screening services for Maori. Monitor access to radiotherapy services.
Reduce the incidence and impact of cardiovascular disease	Provide targeted health promotion and education programmes in a variety of community settings, to encourage healthy lifestyles, and support changes to healthy patterns of diet and exercise. Increase cardiac outreach services.
Reduce the incidence and impact of diabetes	Continue to promote awareness and use of the Get Checked programme. Continue to develop increased liaison between general practitioners and diabetes nurse educators Develop culturally appropriate pathways for Maori and Pacific people with diabetes PHO Initiative for proactive consultation for people newly diagnosed with diabetes
Improve oral health	Continue the emergency dental care programme for low income adults. Continue to work with regional co-ordinator to increase participation in adolescent dental services Encourage and lobby for extended fluoridation of the water supplies.
Reduce violence	Continue to work intersectorally with Violence Free Wairarapa. Continue to work with Family Start to increase uptake and targeting of services. Continue work with Strengthening Families and Youth Offending Team
Ensure access to appropriate child health care services	Implement Outreach Immunisation programme Work with Maori to support and further develop whanau ora and tamarika ora services. Implement new Well Child framework. Work with all providers to prepare for introduction of national immunisation register in March 2005 and meningococcal vaccine strategy in April 2005.

## 2.4 The DHBs Objectives and How We Will Achieve Them in 2004 / 2005

In this section we set out the specific actions planned for 2004/05 in each of a number of areas. Key activities are outlined that support achievement of the DHB's strategic priorities and various Government strategies. Most of these activities are aimed at changes in focus and behaviours rather than investment of additional funds.

### 2.4.1. Maori Health – He Korowai Oranga

#### Introduction

DHBs are responsible for ensuring that strategies are implemented within their districts to reduce disparities between Maori and non-Maori in access to health and disability services and outcomes.

The limited information available in the Wairarapa's Health Needs Assessment Report shows that, for many indicators, disparities are greater between Maori and non-Maori in Wairarapa than in New Zealand as a whole.

He Korowai Oranga: the Maori Health Strategy sets the national direction for Maori health development. The overall aim is whanau ora – Maori families supported to achieve their maximum health and wellbeing. He Korowai Oranga sets out four pathways for action. Whakatataka is the national action plan for implementing He Korowai Oranga over the period 2002-2005. Together He Korowai Oranga and Whakatataka provide the framework for actions taken by DHBs at local level.

In 2002 the Wairarapa DHB and Mana Whenua signed a Relationship Agreement that ensures Mana Whenua participation in the DHB at governance level. In addition Mana Whenua and the Board of the DHB have agreed a joint work programme.

## **Review of the Past Year**

The DHB's Maori Health Development Action Plan for 2003-2005 has been completed. The DHB has set targets for increasing funding for services for Maori over the next three years. Achievements in 2003/04 have occurred in each of the four pathways of He Korowai Oranga as follows:

- Pathway one: Development of whanau, hapu, iwi and Maori communities

The DHB has supported Maori led community development by promoting and supporting the establishment of a Maori provider collective "Te Karu o te Ika" that assists Maori providers across the health, disability and social service sectors to build capability and capacity collectively.

The DHB and Mana Whenua have developed a Treaty of Waitangi Policy. This is applicable to all parts of the DHB and its contracted providers.

- Pathway two: Maori participation in the health and disability sector
  - o There has been ongoing Mana Whenua engagement in development of the business case and planning for new hospital facilities at Masterton.
  - o DHB Board members and Mana Whenua partners have received training in governance and health planning issues.
  - o The Maori Health Committee has continued to develop as a participant in all of the DHB's strategic planning work.
  - o Maori have had strong involvement, in the Steering Committee, and at governance level, in development of the Wairarapa PHO.
  - o The Mana Whenua caucus and Maori Health committee have contributed to the development of this District Annual Plan
  - o The DHB is assisting a Maori provider to develop capability and capacity to take on full responsibility for outreach immunisation services.
  - o The DHB is supporting development of the local Maori clinical workforce through mentoring and shared staffing arrangements.
  - o Maori have involvement in all DHB advisory committees eg diabetes, respiratory, youth and family, and mental health

- Pathway three: Effective health and disability services

Improving mainstream effectiveness –

- o A survey of the cultural training needs of all DHB staff has been completed and planning completed for implementation of a cultural training programme.
- o Numbers of Maori staff employed by the DHB have increased.
- o A system has been implemented to ensure all Maori admitted to hospital are offered access to Maori support

Improving information about inequalities –

- An ethnicity data collection project has been initiated.
- The new Wairarapa PHO is developing services to increase access for Maori.
- A review of the clinical and cultural competence of the DHB's mental health services for Maori has been completed.
- A chronic illness management pilot for diabetes has focused on Maori health needs and has 65% Maori participants in the pilot

- Pathway four: Working across sectors

A key achievement has been work with UCOL to increase local training options for Maori and specifically to establish nurse training in Masterton from February 2004. Many of those enrolled are Maori.

The DHB is working with local government and other sectors to address housing and transport issues that contribute to whanau ora.

## The Year Ahead

Annual Objective	Pathway one: Development of whanau, hapu, iwi and Maori communities	Stronger and more effective Maori providers DHB's Treaty of Waitangi Policy in active use
	Pathway two: Maori participation in the health and disability sector	Increasing Maori participation in decision-making Further development of the Maori workforce
	Pathway three: Effective health and disability services	Mainstream services provide effectively for Maori Accurate and complete ethnicity data is collected Service and facility designs for the new hospital enable culturally effective practice
	Pathway four: Working across sectors	Increased education opportunities and support for Maori in Wairarapa Improved housing for Maori with high health needs
Approach	Stronger and more effective Maori providers DHB's Treaty of Waitangi Policy in active use	Continue support for the Wairarapa Maori providers' collective Develop operational guidelines for DHB's Treaty of Waitangi policy
	Increasing Maori participation in decision-making	Active Maori engagement in review of health needs assessment information, review of the strategic plan, advisory groups, and determination of DHB priorities
	Further development of the Maori workforce	A local Maori Workforce Needs Analysis and Development Strategy is completed
	Mainstream services provide effectively for Maori  Accurate and complete ethnicity data is collected Service and facility designs for the new hospital enable culturally effective practice	Maori access to, and pathways of care, for maternity and mental health services are reviewed The 'ethnicity project' is completed  Maori are actively engaged in development of all plans and proposals
	Increased education opportunities and support for Maori in Wairarapa Improved housing for Maori with high health needs	Implement Maori nursing student support framework  Maori are involved in Healthy Homes project
Milestones	<p>Treaty of Waitangi Policy Guidelines completed by November 2004</p> <p>Wairarapa Maori Workforce development strategy completed by October 2004</p> <p>Reviews of pathways of care for Maori in maternity and mental health services completed by March 2005</p> <p>Review and renewal of the relationship agreement between Mana Whenua and the DHB by September 2004</p> <p>50 Maori homes are fully insulated by June 2005</p>	

Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Tight timelines for review and revision of health needs assessment data and strategic and annual plans preclude adequate period for meaningful consultation with Maori</p> <p>Funding constraints and uncapped demand driven pressures mean commitments to increasing funding for Maori cannot be met</p> <p>Providers fail to meet ethnicity reporting requirements</p> <p>Insufficient qualified applicants to meet target for increased numbers of Maori staff</p> <p>Lack of understanding as to how to effectively implement Treaty principles at all levels across the organisation</p>	<p><b>Mitigation</b></p> <p>Ensure early preparation includes discussion and agreement with Maori of timelines and milestones required</p> <p>Develop and implement effective strategies to manage demand for referred services</p> <p>Address through effective monitoring of contract performance</p> <p>Review recruitment and retention strategies and discuss training needs with local education providers</p> <p>Implementation of Treaty of Waitangi Policy and use of Guidelines</p>
Indicators and targets / expectations	<p><i>HKO-01 Maori Engagement</i> Report at 30 June 2005 on how local Iwi/Maori are engaged and participate in DHB decision-making and the development of strategies and plans for Maori health gain. Report to include:</p> <ul style="list-style-type: none"> <li>• Summary of meetings held with Mana Whenua</li> <li>• Summary of Maori Health Committee meetings</li> <li>• How Maori have been enabled to have input to the development, in 2004/05, of the DHB's:</li> <li>• Service and facility design in the new hospital building</li> <li>• Health Needs Assessment</li> <li>• District Strategic Plan</li> <li>• District Annual Plan</li> <li>• Maori Health Plan</li> <li>• Progress in implementing the DHB's Maori Health Plan</li> </ul> <p><i>HKO-02 Development of Maori workforce and Maori providers</i> Report at 30 June 2005 on the DHB's progress in:</p> <ul style="list-style-type: none"> <li>• Developing the capability and capacity of its Maori workforce, at all levels within the organisation – clinical, managerial, administrative</li> <li>• Implementing plans to promote the capability and capacity of the Maori workforce in the DHB's funded mainstream providers</li> <li>• Implementing plans to develop Maori providers, and the outcomes achieved</li> <li>• Report at 30 June 2005 on the numbers and proportions of DHB employees, in each employment category, who are Maori.</li> </ul> <p><i>HKO-03 Improving mainstream effectiveness</i> Report at 30 June 2005 describing the reviews of two pathways of care and the actions taken to address issues identified in the reviews</p>	

The DHB is committed to increasing investment in services for Maori.  
The following expenditures on Maori services are planned (excl GST):

	2003/04	2004/05	2005/06	2006/07
	\$000	\$000	\$000	\$000
<b>Maori Providers for Maori Services</b>	576	637	650	663
<b>Maori Providers for Mainstream Services</b>	971	995	1,015	1,035
<b>Mainstream Providers for Maori Services</b>	365	361	368	375
<b>Total</b>	1,912	1,993	2,033	2,073

## 2.4.2 Reducing Inequalities

### Introduction

The DHB's Health Needs Assessment Report (2001) and reports from the 2001 Census show that within the Wairarapa district there are significant disparities in health and socioeconomic status between different population groups. There are differences between groups according to their ethnicity (shown most clearly in differences between Maori and non-Maori), geographical position (people in Featherston are more deprived than those in other parts of Wairarapa), age, and gender.

The DHB has a statutory duty to work towards reducing disparities in health status and to promote equity of access to health and disability services. To achieve this requires the DHB to consider all of the determinants of health and to address issues at several levels. Guidance is provided in the Ministry of Health publication 'Reducing Inequalities' (2002). This sets out principles that should be used to guide all actions undertaken in the health and disability sector, together with a framework for that identifies the four levels at which actions are needed to reduce inequalities. Issues of health equity and how they may best be addressed are not yet understood widely among DHB staff and service providers. The concept that increasing service volumes may actually increase inequalities, and that not worsening inequalities is a pre-requisite for all health and disability interventions is hard to grasp for those more used to the utilitarian philosophy of trying to do the greatest good for the greatest number.

At present the DHBs efforts to reduce inequalities centre most strongly on reducing the gap between Maori and Non-Maori. As initiatives to improve the health status of Wairarapa Maori become embedded and more information about other issues and groups becomes available the health equity assessment tool and interventions to address disparities will be used more widely.

### Review of the Past Year

Key achievements in past year have included:

Intervention level	Action	Outcome
Structural Tackling root causes – social, economic, cultural determinants of health	Development of the DHB's Treaty of Waitangi policy	Increased commitment to, and requirements for partnership in all DHB activities
	Maori workforce development – through increased provision of local training opportunities Maori provider development – facilitated development of local Maori provider collective	Increased participation by Maori
	Develop project to improve ethnicity data reporting	Increased opportunity to monitor health inequalities

Intermediary Targeting material, psychosocial, and behavioural factors that mediate the impact of structural factors on health	Provision of training for Mana Whenua caucus and Maori Health Committee members  Support for and participation in Healthy Homes programme  Establishment of a new health promoting school  Progress to resolve transport issues across sectors  Participation in planning for new water treatment, and effluent disposal systems	Increased empowerment and participation  Improved housing for those most disadvantaged with health related needs  Community development and population approach  Increased intersectoral understanding and commitment to future action  Safer environment for affected communities
Health and disability services Undertaking specific actions within health and disability services	Expansion of outreach services  Development of youth health clinic  Implementation of Outreach Immunisation service  Development of PHO services to increase access	Increased access by Maori  Increased access by youth  Increased access to immunisation by 'hard to reach' groups  Increased numbers of Maori accessing primary care
Impact Minimizing impact of disability and illness on socioeconomic position	Continuation of Health Recovery programme  Service development guided by respiratory GOLD standards	Fewer hospital admissions and shorter stays for frail older people through individualized transition programme Improved health status for those with COPD

### The Year Ahead

During 2004/05 much of the activity initiated in 2003/04 will be continued and built on. This includes the need to promote wider knowledge and understanding of the Reducing Inequalities principles and framework.

New key tasks to be undertaken in the year ahead will include reviewing and updating the DHBs health needs assessment data prior to review of the District Strategic Plan. There is now the opportunity to work with the Wairarapa PHO to identify health needs and numbers across various population groupings. As the PHO implements READ coding for major chronic diseases it will be possible to measure access and service interventions provided for each group. Also, with the PHO's assistance, we hope to gain, for the first time, an accurate picture of immunisation patterns within the Wairarapa. Another important task is to operationalise the Board's Treaty of Waitangi Policy and provide practical guidance for its implementation across all of the DHB's activity.

Annual Objective	Structural level	Further development of the DHB's partnership with Mana Whenua Increased numbers of Maori employed in health and disability services Updated information on inequalities
	Intermediary level	200 homes insulated Trainee Maori nurses supported
	Health and disability service level	Increased access to services by Maori Increased access to services by youth

	Impact level	Improved health status for people with chronic diseases Increased employment options for people affected by mental illness
Approach	Further development of the DHB's partnership with Mana Whenua	Continue to meet regularly and progress joint work programme – complete guidelines for implementation of Treaty of Waitangi Policy
	Increased numbers of Maori employed in health and disability services	Continue to progress initiatives to improve recruitment and retention of Maori staff, and support further development of Maori providers
	Updated information on inequalities	Revise and update health needs assessment report
	200 homes insulated	Continue as active partner in intersectoral Healthy Home project
	Trainee Maori nurses supported	Implement mentoring scheme for Maori enrolled in UCOL nurse training
	Increased access to services by Maori Increased access to services by youth	Ensure effective implementation of new Well Child services, and PHO's SIA programmes Continue and expand nurse led youth health clinic and complete Wairarapa youth health strategy
	Improved health status for people with chronic diseases Increased employment options for people affected by mental illness	Develop and implement Wairarapa wide care pathways for people with diabetes and respiratory disease Explore opportunities for mental health consumers to provide services
Milestones	Treaty of Waitangi Policy implementation guidelines completed by 30 November 2004  New Wairarapa Health Needs Assessment report completed by 31 December 2004  Quarterly reports of progress against PHO SIA targets  Baseline assessment of health needs of occupants of 50 homes completed by December 2004  Wairarapa Youth Health Strategy completed by 30 June 2005  Wairarapa care pathways for respiratory disease and diabetes completed by April 2005.	
Risk and Mitigation Strategies	<b>Risks</b>  Lack of wide understanding of inequalities principles and framework  Lack of analytical resource within DHB prevents effective data analysis and completion of health needs assessment report  Insufficient Maori applicants for job vacancies	<b>Mitigation</b>  Organise training session for DHB, PHO, and other providers' staff  Work with CentralTAS to find back-up solution  Review and adjust advertising strategy Development of Maori workforce strategy and action plan
Indicators and targets / expectations	<i>RIH – 01</i> Provide a report on progress towards raising awareness of inequalities and refocusing planning and funding activities to address inequalities in health at 30 June 2005, including narrative comment on progress made towards each objective listed above, and quantitative data in relation to: Healthy Homes, SIA achievement, health status information.	

### 2.4.3 Pacific Health

#### Introduction

Wairarapa has a small but significant, and growing population of Pacific people. According to the 2001 census there are about 800 Pacific people in Wairarapa, from several different island groups. There are no Pacific organisations that provide health and disability services in Wairarapa. To date the DHB has had no specific structure or ongoing formal processes for consultation with Pacific peoples. This is changing as our community knowledge and linkages increase.

It is unlikely that a separate Pacific service for Pacific people will be viable within Wairarapa within the next few years, however there are growing initiatives by mainstream providers to take services to Pacific people's environments, and to make provision for Pacific language and cultural needs.

Wairarapa DHB does not have a Pacific Health Plan and does not yet have the structures and processes available to support development of such a plan.

#### Review of the Past Year

During 2003/04 Regional Public Health and Wairarapa DHB convened a fono in Masterton. This was the first health-focused gathering for Pacific people to be held in Wairarapa. The fono introduced a number of health issues, services and contacts to the Pacific communities and provided for discussion of future connections and joint working that need to be developed. Since the fono DHB public and community health and planning and funding staff have been meeting regularly, informally, with a small group of Pacific people, with a view to developing more formal arrangements in due course. Discussions in this forum have revealed that Pacific people in Wairarapa are reluctant to access mainstream primary care, due to cultural, language and financial barriers. However provision of free services within a Pacific environment, such as those offered by the outreach clinics described below, are much appreciated and well used.

A key initiative of 2003/04 has been to expand the DHB's outreach services to the Pacific community through provision of increasing services at Cameron House – a community house in Masterton. Monthly asthma, diabetes, and cardiac outreach clinics are provided at Cameron House. The clinics have growing numbers of attendees.

On 1 January 2004 the Wairarapa Community PHO, covering the whole district, became operational. Development of a PHO and provision of special funding for services to increase access provides a major opportunity to develop services appropriate for Pacific people. WIPA has been appointed as the PHO's management agency and has experience in development of primary health services for Pacific people in Porirua, that may be able to be adapted to the Wairarapa environment.

#### The Year Ahead

Opportunities for better addressing Pacific peoples' needs in 2004/05 build on the developments and progress made in 2003/04:

Annual Objective (s)	Increased enrolment of Pacific people in Wairarapa Community PHO, and their increasing utilisation of primary health care Increasing input by Pacific people into DHB planning and service development
Approach	Working with the Wairarapa PHO to ensure PHO activities and service developments pro-actively support the needs of Pacific peoples, and monitoring progress Ensuring the new Outreach Immunisation Service (implemented from January 2004) reaches Pacific children Improving access to Pacific language interpreters and cultural advice within Masterton Hospital Continue meeting with Pacific people to discuss needs and service developments

Milestones	<b>Funder</b> Monitor and report PHO progress in developing services for Pacific people – December and June Meet with Pacific people and establish formal advisory structure – by March 2005 Report Pacific peoples' uptake of immunisations, and diabetes checks - annually	<b>Provider</b> Include Pacific input in facility design decisions – by December 2004  Review provision of Pacific cultural support for hospital patients – by December 2004
Risks and risk mitigation strategies	<b>Risk</b> Lack of engagement with Pacific community	<b>Mitigation</b> Relationship management
Indicators and targets / expectations	The DHB will report six monthly on the progress it has made against the objectives and milestones described above, and the extent to which this meets the Ministry's performance measures:  PAC-01 Progress towards the implementation of priority areas identified in the Pacific health and disability Action Plan  PAC – 02 Pacific people are engaged and participate in DHB decision making and the development of strategies and plans for Pacific Health gain	

## 2.4.4 Diabetes

### Introduction

One of the main Wairarapa DHB strategic priorities is to reduce the incidence and impact of Diabetes. As the PHO environment develops, it is expected that increasing emphasis will be placed on population health and prevention of diabetes and its complications. Also within this environment will be an increase in the active management of people with diabetes. For the first time, with PHO reporting, the DHB will be in a position to be informed by the primary health sector about access and uptake of services by people with diabetes.

Evaluation of the diabetes chronic care management pilot (2002 – 2003), will inform the DHB for future planning for chronic care management. The pilot has been based on the model developed in Counties Manakau and is a joint initiative between the DHB and a Masterton general practice. Forty participants who have been identified as having poorly managed diabetes are taking part and over half of them are Maori.

Emphasis on encouraging and facilitating access for the Get Checked programme, especially for Maori will continue and targets will be set in consultation with the Ministry of Health. Initiatives which are working well in the Wairarapa such as Marae, urban outreach and shared GP clinics are expected to continue and thrive in the PHO environment.

Diabetes education is expected to occur at three levels for providers, to ensure that appropriate diabetes care is given in all settings (e.g. community, residential care, hospital). Provision will involve UCOL, adjacent DHBs, and local diabetes specialist nurses, GP, and physician.

### Review of the Past Year

Despite unfortunate delays in the inception of a PHO, the DHB has progressed well towards the objective of reducing the incidence and impact of Diabetes.

During 2003/04 an additional outreach clinic has been developed at Pirinoa. Volumes and hours were increased for the diabetes nurses, and for podiatry. Community Health Workers with Te Hotu Manawa Maori training, were also appointed to work with Maori and Pacific groups in support of the diabetes nurses.

Access for retinal screening has improved through the establishment of a local service. Feedback from consumers has been positive, especially about the flexibility of appointment times.

An increasing number of GP practices are actively managing their patients with diabetes through encouraging the free annual checks, active recall and having shared clinics with the Diabetes Nurse Educators. Their efforts have been reflected in the Diabetes Data base with annual check rates well above target.

### The Year Ahead

In order to reduce inequalities, it is important that a focus on increasing access to diabetes services for Maori is continued throughout the coming year. This can be achieved through a number of ways working with Maori health providers and mainstream diabetes health practitioners.

An increasing focus on providing an integrated continuum of care through District-wide protocols and processes is timely, with the development of a new District-wide PHO. Structural change and clarification of specialist nurse roles within the DHB will contribute to this goal.

During 2004, The Local Diabetes Team (LDT) will continue to inform and advise the DHB and PHO on diabetes services delivered and in early 2005 recommend further developments.

<b>Annual Objective 1</b>	Increase number of annual checks for Maori and Pacific People in 2003 by 10% for 2004.	
Approach	<ul style="list-style-type: none"> <li>• Maori Providers to be actively involved in identifying Maori with diabetes who have not had checks.</li> <li>• Continue Marae and urban outreach clinics.</li> <li>• Active management for Maori with HBA1C &gt;8 by PHO</li> <li>• Data management service provided by Wellington Regional Diabetes Trust (WRDT).</li> </ul>	
Milestones	<b>Funder</b> Local Diabetes Team Report forwarded by the DHB to the Ministry by 1 <sup>st</sup> February 2005	<b>Provider</b> Chronic Care Management Trial programme evaluation completed by Feb 2005
Risk and Mitigation Strategies	<b>Risks</b> Reluctance of some Maori to attend GP practices for their annual check	<b>Mitigation</b> Ensure culturally acceptable support for visits to GP

<b>Annual Objective 2</b>	Progress towards implementing District-wide protocols and pathways for children and adults with diabetes.	
Approach	<ul style="list-style-type: none"> <li>• Achieve consensus within the PHO on five evidenced based quality outcome measures for diabetes for use in the Wairarapa</li> <li>• Whanau Ora and Disease State Management Nurse to be actively involved in developing culturally appropriate pathways for Maori and Pacific People with diabetes</li> <li>• Clarify the role and organisational context of Diabetes Nurse Educator.</li> <li>• Ensure appropriate levels of workforce education are accessible.</li> </ul>	
Milestones	<b>Funder</b> Local Diabetes Team Report forwarded by the DHB to the Ministry by 1 <sup>st</sup> February 2005	<b>Provider</b> GP with diabetology specialty acting in an advisory and educational capacity through the PHO by Dec 2004  Flow chart pathways developed for children and adults by June 2005

Risk and Mitigation Strategies	Risks	Mitigation
	Limited workforce education opportunities	Use of local specialist expertise and polytechnic education. Focus on priorities e.g. Maori health providers, residential care workers.

Indicators and targets / expectations	<p>POP-02 (Diabetes case detection rate),</p> <p>Maori 48%</p> <p>Pacific 64%</p> <p>All others 70%</p> <p><b>TOTAL 66%</b></p> <p>POP-03 (Diabetes case management)</p> <p>Maori 30%</p> <p>Pacific 25%</p> <p>All others 25%</p> <p><b>TOTAL 26%</b></p> <p>POP-04 (retinal screening)</p> <p>Maori 90%</p> <p>Pacific 90%</p> <p>All others 90%</p> <p><b>TOTAL 90%</b></p> <p>The Wairarapa Local Diabetes Team will include the full aggregated data provided by the WRDT in their annual report for 2004 and provide a copy to the DHB and the Ministry of Health by 1 February 2005.</p>

## 2.4.5 Child Health

### Introduction

UNICEF New Zealand published a document in September 2003 titled "Making New Zealand Fit for Children". The report finds that many children do indeed have healthy lives and a good chance that lifelong outcomes across health and other aspects of well-being will be positive. However, a significant number do not share this advantage. The children who carry the largest burden of short and long-term ill health in New Zealand are predominantly Maori and Pacific children and children from socio-economically disadvantaged families.

The Ministry of Health has noted significant disparities in the areas of child oral health, immunisation uptakes, and Well Child programmes for these populations. The Wairarapa has pockets of severely disadvantaged communities in areas of Masterton and the Southern Wairarapa, particularly Featherston. There has been measurable initial success in reaching these families through the efforts of the three Wairarapa Maori Health Providers and associated community groups.

Several key initiatives targeted by the Ministry of Health and supported by the Wairarapa DHB aim to improve the accessibility and effectiveness of services for children. In particular, these include:

- Reviewing school dental services to identify areas where children require additional or improved services
- Implementation of the national immunisation programme which aims to increase the uptake of immunisation programmes throughout New Zealand to 95% of children to be fully vaccinated at 2 years old by 2005 and has three arms to it –
  - Outreach immunisation services targeting children who are unimmunised
  - National immunisation register which will identify who those children are, and the meningococcal vaccine strategy for all those aged 0 – 20 years
  - The new service framework of the well child programmes with three streams of service delivery –

- Health education and health promotion
- Health protection and clinical assessment
- Whanau Care and support.

### Review of the Past Year

A key milestone achieved in 2003/04 was publication of "Our Children –Their Health", and its delivery to every household in Wairarapa. This publication has been very successful in raising awareness of child health issues and increasing community commitment to addressing them. One direct result of the publication is that nearly all schools in Wairarapa are now keen to become health promoting schools.

The DHB has worked closely with three Maori health providers during 2003/2004 who have now established a collaborative agency between them to ensure more efficient service delivery. These providers are now able to commence delivering the new Well Child Framework from 1 July 2004, a full year ahead of the Ministry of Health revised target start date. Local Plunket managers have worked consultatively with these providers and have offered support and mentoring as the framework is implemented.

The Wairarapa received excellent results for child oral health statistics against the Ministry of Health's targets but a breakdown of the figures showed that Maori tamariki had more cavities than non-Maori children at 5 years and 12 years of age. The merger of Masterton schools has also created added stresses for the School Dental Service. The effect upon Masterton children will be known after July 2004, when dental clinic enrolments have settled. Kohanga Reo staff assist in improving oral health and nutrition education through their vigilance with school lunches.

### The Year Ahead

The 2004/05 objectives for child health focus on three main areas: Well Child, Oral Health, and Immunisations. The objectives are:

- To ensure access for all Wairarapa children, but particularly those that are disadvantaged through socioeconomic, location and cultural factors, to the full range of child health services
- To provide accessible, quality child oral health service provision for all Wairarapa children under the age of 18 years.

A key development for 2004/05 will be the appointment of a community paediatrician and the development of community paediatric services. This will enable the DHB to address serious unmet child health needs (as evidenced by the DHBs child health statistics) within the Wairarapa community and to meet the requirements of national policies for child and adolescent health. The position will work across Maori, primary, secondary and public health services as well as intersectorally to develop and implement population strategies for child health and ensure the services of all providers are co-ordinated and integrated.

Annual Objective	To ensure access for all Wairarapa children, but particularly those that are disadvantaged through socioeconomic, location and cultural factors, to all child health services
Approach	<ul style="list-style-type: none"> <li>• Develop Community Paediatric service in consultation with key stakeholders including Maori</li> <li>• Work with Well Child providers to ensure referral models and Well Child practices reach out to targeted families</li> <li>• Work with PHO members, Maori providers and other groups, to develop implementation plan for National Immunisation Register</li> <li>• Work with Maori Health Providers, Community and Public Health teams to implement Meningococcal Vaccine Strategy</li> <li>• Work with Outreach Immunisation Service providers to maintain and monitor immunisation rates</li> <li>• Aim to reduce ambulatory admissions as a result of these initiatives to improve quality and access to services for children</li> </ul>

Milestones	<b>Funder</b> Report on implementation of Well Child services under the new framework by December 2004.	<b>Provider</b> Community Paediatrician appointed and in post by 1 September 2004
	Devise working strategy to prepare implementation plan for National Immunisation Register by July 2004	Report on implementation of Well Child Services under new framework quarterly from September 2004
	Report on implementation plan status for National Immunisation Register by December 2004	Report on implementation plan status for National Immunisation Register by November 2004
	Report on status of Meningococcal Vaccine Strategy by December 2004	Meningococcal Vaccine Strategy implemented by June 2005
	Report against targeted figures and delivery of Outreach Immunisation Service by September 2004	Quarterly reports against targeted figures and delivery of Outreach Immunisation Service from July 2004

Risk and Mitigation Strategies	<b>Risks</b> Lack of ongoing training and support for Maori providers contracted to deliver the Well Child framework	<b>Mitigation</b> Ensure close linkages and peer support systems with Plunket and other child health practitioners
	Timelines slip	Use strong project management and monitoring of milestones
	Lack of cooperation from PHO in implementation of National Immunisation Register	Address through relationship management
	Lack of sufficient staff resource to release people for training in new immunisation programmes	Spread training over longer timeframe
	Lack of support for Outreach services by community	Mitigated by strong community involvement and understanding of existing service deficits

Indicators and targets/ expectations	<i>POP- 12 Progress towards the national target of 95% of two year olds fully immunized</i>				
	Quarterly at the end of September, December, March, and June, until National Immunisation Register is operative then reporting six monthly. Report on progress of NIR implementation milestones towards measuring immunisation coverage.				
	<i>POP – 13 Ambulatory Sensitive Admissions – Children and Young People – discharge rate per 1000 population</i>				
	Six monthly at the end of December and June, report on progress against set targets which demonstrate success of initiatives to reduce number of ambulatory sensitive admissions (expressed as discharge rate per 1000 of popn):				

Age	Overall	Maori	Pacific	Other
Under 5	100	100	120	65
5-14	20	21	nil	15
15-24	14	20	nil	13

Annual Objective	To provide accessible, quality child oral health service provision for all Wairarapa children under the age of 18 years.																										
Approach	<ul style="list-style-type: none"> <li>• Work with School Dental Service, Public Health and Well Child providers to evaluate how health education programmes and services are influencing the oral health status of children</li> <li>• Work with School Dental Service and Community and Public Health Team to prepare feasibility study into the viability of mobile dental clinics</li> </ul>																										
Milestones	<p><b>Funder</b> Report on oral health education programmes that reflect Well Child approach by December 2004</p> <p>Report on changes to service delivery through school dental clinics in Masterton, following school mergers by September 2004</p>	<p><b>Provider</b> Devise action plan for Health Education programmes designed to promote child oral well health by August 2004</p> <p>Implement action plan and report against progress by October 2004.</p> <p>Develop feasibility study for mobile dental clinics and report findings by October 2004</p> <p>Report on changes to service delivery through school dental clinics in Masterton, following school mergers by August 2004</p>																									
Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Timelines slip</p> <p>Insufficient funding for health education programmes</p> <p>Community resistance to change if mobile dental clinics prove viable</p> <p>Lack of cooperation from schools and dentists</p>	<p><b>Mitigation</b></p> <p>Use strong project management and monitoring of milestones</p> <p>Postpone until next prioritisation round, discuss funding options with PHO</p> <p>Involve key stakeholders in feasibility study process, ensure implications of not changing are well understood</p> <p>Address through relationship management</p>																									
Indicators and targets/expectations	<p><i>POP- 05 Oral Health – Percentage of children caries free at age five years</i></p> <p>Annually in August to report on oral health status. The report will include how the School Dental Service and Well Child providers will have implemented health education programmes to influence the oral health of children.</p> <p style="text-align: center;">% 5 Year Olds caries free – fluoridated areas</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>50</td> <td>30</td> <td>30</td> <td>70</td> </tr> </tbody> </table> <p style="text-align: center;">% 5 Year Olds caries free – unfluoridated areas</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>50</td> <td>30</td> <td>50</td> <td>50</td> </tr> </tbody> </table> <p><i>POP – 06 Oral Health – Mean DMT score at Year 8 (Form 2)</i></p> <p>Annually in August to report progress in achieving positive outcomes in regard to Decayed, Missing (due to caries) and Filled Teeth with special attention to geographic areas of deprivation and fluoridation status.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1.75</td> <td>2.15</td> <td>1.75</td> <td>1.15</td> </tr> </tbody> </table>			Overall	Maori	Pacific	Other	50	30	30	70	Overall	Maori	Pacific	Other	50	30	50	50	Overall	Maori	Pacific	Other	1.75	2.15	1.75	1.15
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## 2.4.6 Family Health

### Introduction

Family Health covers a myriad of health issues that impact on the lives of all family members. The government has a vision that families, communities and governments work together for the safety and well-being of children, young people, and their families. The Wairarapa District Health Board is committed to this vision, works with the local intersectoral programme Violence Free Wairarapa, and supports it through several DHB-led programmes and initiatives:

- The Family Violence Project, which is a Ministry of Health Reducing Inequalities initiative. This seeks to increase health sector responsiveness to family violence and prevent family violence through the Family Violence Prevention Action Plan
- Antenatal and Postnatal parenting education programmes particularly targeting low birth weight infants and increasing access for Maori and teen mothers
- The nationwide Baby Friendly Hospitals Initiative which aims at improving breastfeeding rates
- Sexual health education and improved services to support women through pregnancy termination by ensuring counseling, confidentiality and safe treatment
- Reduction of ambulatory sensitive admissions (those admissions that could be prevented by appropriate primary care, or outpatient services).

### Review of the Past Year

Many new initiatives have been actioned by the Wairarapa DHB over the past year that will contribute to the improved health and well-being of families in the Wairarapa. These include:

- The establishment by the Provider arm of a temporary position for a child protection co-coordinator
- Positive feedback on the DHBs Family Violence Response from the Auckland University of Technology audit conducted in December 2003
- Participation in the region wide Violence Free Wairarapa programme at both operational and policy levels
- Establishment of the Pregnancy and Parenting Education Action Group
- Appointment of a Baby Friendly Hospital auditor among the staff midwives with a view to progressing towards accreditation in this area
- Completion of a review of termination of pregnancies policies and procedures
- Identification of causes of preventable hospital admissions and the incidence of these compared to the rest of New Zealand.

### The Year Ahead

During 2004 / 2005 many of the programmes that have been put in place by the joint efforts of a range of organisations in the Wairarapa will continue and be built on.

Annual Objective	To continue to develop a sustainable and effective health sector response to family violence	
Approach	Fund Family Violence Coordinator as a permanent position Revive family violence working group Develop and implement a partner abuse intervention programme Develop DHB policies for all aspects of Family Violence Intervention	
Milestones	<p><b>Funder</b> Fund family violence co-ordinator position from 1 July 2004</p> <p>Participate in Violence Free Wairarapa meetings monthly</p>	<p><b>Provider</b> Appoint Family Violence Co-ordinator to permanent position</p> <p>Develop and maintain a formal plan for regular ongoing training in child protection for all Clinical and non-</p>

	Family violence working group established and functioning by July 2004.  Report on progress by March 2005.	clinical staff, by June 2005  Develop and implement partner abuse intervention programme for all clinical and non-clinical staff by July 2004  Implement policies that define abuse, mandate training, outline roles, detail referral systems & other significant aspects of Violence intervention by December 2004.
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	Timelines slip  Implementation of new programmes hampered by lack of resources  Lack of sufficient staff resource to release people for training in violence intervention programmes  Lack of sufficient funding resource	Use strong project management and monitoring of milestones  Identify resources needed before commencing programmes and establish contingency plans  Spread training over longer timeframe  Address through prioritisation and/or delay start
Indicators and targets/ expectations	<i>POP – 07 Reducing Violence</i> Complete Ministry Family Violence Programmes questionnaire six monthly in December and June quarters	

Annual Objective	To provide access for women and their whanau to culturally safe pregnancy and parenting education, regardless of age, culture and geographic location.	
Approach	Work with Maternity Unit, antenatal educators and affiliated community groups to: <ul style="list-style-type: none"> <li>• Ensure access for all pregnant women of the Wairarapa to all available antenatal and postnatal programmes during the 2004/2005-year</li> <li>• Implement programmes that have been developed for Maori, teens and early parenting skills</li> <li>• Ensure programme content identifies risk areas to pregnant women to avoid low birth weight babies</li> <li>• Work with PHO to develop implementation plan for the education of pregnant women at a primary level with a particular focus on reducing low birth weight babies</li> </ul>	
Milestones	<b>Funder</b> Monitor and report on all areas of pregnancy and parenting education by December 2004  Report on progress of reducing rates of low birth weight babies by June 2005	<b>Provider</b> Report on access to programmes and feedback from each programme quarterly from July 2004  Develop and implement specific guidelines to ensure access by all women to education regarding preventing low birth weight babies by July 2004.
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	Timelines slip  Implementation of new programmes	Use strong project management and monitoring of milestones  Identify resources needed before

	<p>hampered by lack of resources</p> <p>Lack of cooperation from PHO</p>	<p>commencing programmes and establish contingency plans</p> <p>Address through relationship management</p>								
Indicators and targets/ expectations	<p><i>POP – 09 Low Birth Weight Babies – Rate per 1000 births</i></p> <p>Six monthly at the end of December and June, report on: Number of babies born weighing less than 2500gm during the reporting period as a percentage of total babies born in the hospital</p> <table border="1"> <tr> <td>Overall</td> <td>Maori</td> <td>Pacific</td> <td>Other</td> </tr> <tr> <td>6.5</td> <td>11</td> <td>3</td> <td>5</td> </tr> </table>		Overall	Maori	Pacific	Other	6.5	11	3	5
Overall	Maori	Pacific	Other							
6.5	11	3	5							

Annual Objective	To achieve readiness for accreditation in Baby Friendly Hospital Initiatives, to promote breastfeeding and improve breastfeeding rates in the Wairarapa, by 2005/2006-year	
Approach	<p>Work with Maternity Unit, LMC's and Well Child providers to:</p> <ul style="list-style-type: none"> <li>• Continue progress toward accreditation of the Baby Friendly Hospital Initiative by following prescribed steps</li> <li>• Maintain momentum within Maternity Unit with policies implemented by clinical staff</li> <li>• Develop and implement plans to maintain acceptable levels of breastfeeding rates once discharged from Maternity Unit.</li> </ul>	
Milestones	<p><b>Funder</b></p> <p>Monitor progress monthly and report on progress toward BHFI accreditation at December 2004 and June 2005</p> <p>Report on changes in breastfeeding rates pre and post discharge from the Maternity Unit by June 2005</p>	<p><b>Provider</b></p> <p>By 1 October complete plan for achievement of BHFI accreditation during 2005.</p> <p>Report monthly on progress against plan</p>
Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Time lines slip</p> <p>Lack of cooperation from clinical staff</p> <p>Lack of cooperation from PHO</p>	<p><b>Mitigation</b></p> <p>Use strong project management and monitoring of milestones</p> <p>Address through relationship management</p>
Indicators and targets/ expectations	<p><i>POP – 10 Progress in implementing the Baby Friendly Hospital Initiative in maternity facilities</i></p> <p>Six monthly at the end of December and June, report on:</p> <ul style="list-style-type: none"> <li>• Progress of Maternity unit in becoming accredited</li> <li>• Expected timeline to becoming accredited</li> <li>• Commentary on progress of any issues in any audit reports and action plans to overcoming these</li> </ul> <p>Quantitative analysis including the proportion for each major ethnic group, of 'hospital born' babies delivered in a BFHI accredited unit.</p>	
Annual Objective	To provide a holistically, culturally safe termination of pregnancy service that works concurrently with sexual health education and counseling	
Approach	<ul style="list-style-type: none"> <li>• Work with Clinical staff to monitor implementation of new procedures and policies for terminations of pregnancy</li> <li>• Work with Community, Public Health, and Primary Health services to develop a Sexual Health Strategy for Wairarapa that includes approaches to meet needs of pre and post termination patients</li> </ul>	

Milestones	<p><b>Funder</b> Monitor and report on implementation of new TOPS procedures and policies by December 2004</p> <p>Complete review of sexual health services by September 2004</p> <p>Provide recommendations for future development of sexual health services in Wairarapa by December 2004.</p>	<p><b>Provider</b> Implement new TOPS procedures and policies by July 2004</p> <p>Provide information monthly to enable Funder to complete required reports.</p> <p>Participate in review of, and planning for future developments of sexual health services.</p>
Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Lack of support for new services by community</p> <p>Lack of cooperation from clinical staff</p> <p>Lack of cooperation from PHO</p>	<p><b>Mitigation</b></p> <p>Mitigated by strong community involvement and understanding of existing service deficits</p> <p>Address through relationship management</p> <p>Address through relationship management</p>

## 2.4.7 Youth Health

### Introduction

Traditionally youth have been viewed as healthy and in less need of health services. In New Zealand, youth have lower levels of health care service utilization and chronic illnesses compared with other age groups. Yet, there are many other health related issues affecting today's young people. These include driving behaviours, drug use, sexual health issues, mental health problems, and violence. In addition, social trends toward more time spent in sedentary activities, such as TV watching and computer use, appear to be displacing time youth spend being active. This shift contributes to high rates of heart disease, diabetes, and obesity among youth that have not previously existed.

In a survey conducted by the Adolescent Health Research Group, The University of Auckland, in April 2003, the most commonly identified barriers to healthcare for 12-24 year olds were:

- Not wanting to make a fuss
- Can't be bothered
- Too expensive
- Don't feel comfortable with person
- Too scared
- Worried that it won't be kept private.

The Wairarapa youth community is not significantly different to other youth communities in New Zealand and as such the focus is to ensure the accessibility of holistic youth services within the Wairarapa. However, there are almost no youth specific health services in the Wairarapa and these need to be developed. Most other areas of New Zealand now have fully functioning youth specific health clinics, which incorporate general medical, sexual health, alcohol and other drug, and mental health services.

### Review of the Past Year

During 2003/2004 Nursing Innovations, as part of the Community Health team, opened a one-day a week youth clinic in Greytown. A Registered Nurse staffs this clinic. In conjunction with the Sexual Health Nurse visits to Kuranui College, once a week in term time, South Wairarapa youth now have increased access to nursing and sexual health services.

The first meeting of a youth specific health forum was held in December 2003 and attended by school leaders, government agencies, community workers, and health workers. This forum gave the opportunity to discover what other areas of New Zealand were delivering to youth as well as how these services were delivered. Following the Forum, the DHB has established the Wairarapa Youth Advisory Group, formed as a result of the forum. The working party has commenced investigations of existing youth services, across all sectors of the Wairarapa. This includes programmes offered by government agencies, community groups, and iwi. The working party, in consultation with representatives from youth communities, is determining which services are seen as critical. These services are then prioritized accordingly.

## The Year Ahead

This year the Wairarapa District Health Board has one key objective it will work to achieve:

- To improve access to culturally safe, quality health services for youth.

Central to the achievement of this very broad objective will be the work of the newly formed Youth Health Advisory Group. This group has been tasked with overseeing the development of a Youth Health Plan for Wairarapa. This will cover a wide spectrum of services and issues including:

- How youth health is addressed in other DHBs
- Teenage pregnancy and sexual health
- Mental health of youth and youth suicide
- Alcohol and Drug related issues.

Strong links with the PHO will be needed to ensure the ongoing success of existing services and development of new initiatives.

Annual Objective	To improve access to culturally safe, quality health services for youth	
Approach	<ul style="list-style-type: none"> <li>• Work with community groups, government agencies, and youth representatives to develop a plan for Youth Health Services in Wairarapa</li> <li>• Work with neighbouring DHBs to identify models of service provision that are most effective for youth</li> <li>• Review existing Wairarapa health services and their effectiveness for youth</li> <li>• Work with PHO management and Maori providers to develop distribution and implementation plans for guidelines relating to youth mental health and youth suicide</li> </ul>	
Milestones	<p><b>Funder</b> Youth Health Advisory Group established by July 2004</p> <p>Advisory Group work programme and milestones agreed by 1 August 2004</p> <p>Consultation document on youth health service provision is complete by June 2005</p> <p>Service Providers are implementing guidelines for youth suicide prevention by December 2004</p>	<p><b>Provider</b> Community paediatrician in post and member of Youth Health Advisory Group by 1 August 2004</p> <p>Relevant recommendations from review of sexual health services are implemented by 30 June 2005.</p> <p>Guidelines for identification and management of risk of suicide in use in ED by December 2004.</p>

Risk and Mitigation Strategies	Risks	Mitigation																
	Youth Health Advisory Group progress hampered by structure and resource issues	Appropriate and robust terms of reference developed. Portfolio manager gives development of the Youth Health Plan highest priority.																
	Neighbouring DHBs reluctant to share information	Increase number of DHBs contacted to ensure wider spread and greater opportunity for information collection																
	Review of sexual health services hampered by lack of resources.	Identify resources needed before commencing review																
	GP's reluctant to implement youth suicide prevention strategies	Work with PHO Manager to advocate strategies to community GP's																
Indicators and targets/ expectations	<p><i>POP-11 Youth Health Teenage Pregnancy</i></p> <p>Six monthly at the end of December and June, report on progress towards achieving targets for the improvement of the sexual health and education of the teenage population, with a particular focus on Maori and Pacific Island. Quantitative indicators will be included for the following targets:</p> <p>Teen pregnancy</p> <table border="1" data-bbox="708 913 1214 981"> <thead> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>3%</td> <td>5</td> <td>0</td> <td>1.5</td> </tr> </tbody> </table> <p>Teen Abortions</p> <table border="1" data-bbox="708 1010 1214 1070"> <thead> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>1.6</td> <td>3.6</td> <td>0</td> <td>1</td> </tr> </tbody> </table>		Overall	Maori	Pacific	Other	3%	5	0	1.5	Overall	Maori	Pacific	Other	1.6	3.6	0	1
Overall	Maori	Pacific	Other															
3%	5	0	1.5															
Overall	Maori	Pacific	Other															
1.6	3.6	0	1															

## 2.4.8 Mental Health

### Introduction

"It is estimated that at any one time around 3% of the population will suffer from a major mental health illness that should receive specialist intervention. A further 8 – 12% will suffer from more moderate mental disorders that should receive treatment from primary health services"<sup>5</sup>

Over the past 10 years or so, successive governments of New Zealand have committed to increasing resources for Mental Health and to ensuring that the resources allocated, are ring-fenced.

The task of the Wairarapa DHB is to maximize the benefits of Mental Health funding received for the people of the Wairarapa. For the Wairarapa this means planning and working towards delivering a full range of services in collaboration with both our neighbouring DHBs and all health care providers in the DHBs region – maximizing the benefits of the Partnership Model of care around which the DHBs Site Development Business Case is based.

One of the most important objectives in Mental Health service provision is to improve the accessibility of services for tangata whaiora/consumers, with the ultimate measure being how much of the target population is accessing services in the region. The national mental health strategy requires that mental health services be developed so that they provide access for 3% of the total population in any month. Current estimates indicate that mental health services in the Wairarapa are accessed by only about 0.9% of the population. The Wairarapa Mental Health Services<sup>6</sup> plan developed throughout 2003 / 2004 aims to improve on this, reduce the barriers to service access, and improve the quality of services to better meet the needs of the Wairarapa.

<sup>5</sup> Wairarapa District Health Board Strategic Plan – July 2002

<sup>6</sup> Wairarapa District Health Board Mental Health Plan, June 2004

## Regional Mental Health Planning

DHBs are required to work regionally in the planning and funding of their mental health services. In the Central region this is achieved through the Central Region Mental Health and Addictions Network (CRMHAN). Wairarapa DHB is an active participant in CRMHAN and has collaborated with the five other DHBs in the region, CentralTAS, and stakeholder representatives from across the region to develop the Regional Mental Health Plan (RMHP) for 2004/05. The RMHP reports on the network's achievements to date, prior year expenditure of additional Blueprint funding, developments planned for 2004/05 and the proposed allocation of additional Blueprint funding in 2004/05. This DAP and the RMHP for 2004/05 are aligned and consistent.

CRMHAN provides for wide stakeholder input to mental health planning and development, ensures a common vision and philosophy is maintained, and provides expert groups to guide developments across a number of areas. CRMHAN achievements to date have included:

- Plan for development of Regional Forensic Services
- Establishment of Te Arawhata Oranga and a framework for partnership
- Review of AOD intensive treatment services and plan for future developments
- A mental health workforce development plan for the region
- Development of a Regional Clinical Risk management strategy

CRMHAN's focus for 2004/05 will be on operational implementation of these plans, and initial planning for other areas such as mental health services for children and youth. This focus is reflected in Wairarapa DHB's and other DHBs' mental health plans and developments for the year ahead.

In 2004/05 the Wairarapa DHB will continue its contribution to the funding of CRMHAN infrastructure, and implement the following initiative as part of the co-ordinated region-wide implementation of recommendations from the CRMHAN review of Alcohol and Other Drug Services.

Service Initiative	Annual Cost	Funding Source
Alcohol and Other Drug services Day programme to be established in Masteron	\$36,000	Regional funds

A copy of the Regional Mental Health Plan, project scopes and regular updates on project progress are available on the Central Region Technical Advisory Services website ([www.centrautas.co.nz](http://www.centrautas.co.nz)).

## Review of the Past Year

A key objective identified in the DHB's DAP for 2003 / 2004 was to develop a new Mental Health services plan for the Wairarapa and have the first stages of the implementation of this underway by the commencement of 2004 / 2005. This has been achieved after widespread community consultation held over the past two years to consider the issues facing the provision of Mental Health services in the Wairarapa.

The consultation process indicated that, generally speaking, the services being provided were poorly regarded by many and that the community as a whole, lacked confidence in them. It became clear during the development of the plan that an innovative approach that optimizes the wellbeing of the service user, their whanau / family and the wider community is needed.

The move nationally to a recovery focus of service delivery, guides the planning and development of clinical and non-clinical mental health services, together with increasing focus on consumer involvement in service design, delivery and on ensuring best practice. The Wairarapa DHB Mental Health Plan aims to achieve this.

The implementation of the Mental Health services plan requires solid foundation stones upon which to build. Over 2003 / 2004 the Mental Health Services DHB provider has worked to establish accurate patient information systems. Together, with the continuing development of the MHINC data systems, more reliable information is increasingly available allowing for more confidence to be placed in the decisions that can be made based on this data.

Another important foundation stone of the Mental Health Services plan lies in the networks and relationships the Wairarapa DHB has with its neighbours, and with CRMHAN.

The review of the DHB's Kaupapa Maori Mental Health Services completed in December 2003 made several recommendations to directly improve access to services for Maori. This review has also been used to inform development of the DHB's new strategic plan for Mental Health Services.

### **The Year Ahead**

This year the Wairarapa DHB has four key objectives for Mental Health:

- Implementation of the Mental Health services plan
- Implementation of the first stages of the MH-SMART initiative<sup>7</sup>
- Development of Mental Health services for Maori
- Improvement and further development of Mental Health services for Children and Youth

The year ahead will see staged progress towards implementation of the Mental Health Services Plan. The DHB will ensure mental health service coverage is maintained while this occurs. The new plan will provide for 'seamless' movement for a person through the continuum of care whether their needs be short or longer term. This will require some changes in mental health services being funded currently, to enable better provision for individual service users' needs.

Services for acute care will be reconfigured so as to remove the need for a standalone inpatient ward in Masterton. (Currently 5.5 funded beds). Instead an extended hours day hospital service will be developed, to provide assessment, treatment and care for up to six acutely ill patients, supported by crisis respite and overnight accommodation for those few unable to return to their usual homes while receiving day treatment. In addition intensive acute care will continue to be accessed at another DHB as it is now.

The first stages of the Ministry of Health driven MH-SMART initiative will be implemented. This initiative aims to support recovery by promoting and facilitating the development of an outcomes-focused culture in the Mental Health sector. The principal means of achieving this will be by implementing a standard suite of tools and measures that clinicians will apply to measure and document changes in the health status of mental health service users.

### **Child And Youth Mental Health Services**

The Wairarapa is similar to the other Central Region DHBs in that the biggest service gaps in Mental Health are in services provided for children and youth. The relative funding position of child and youth mental health service provision against Blueprint is behind that of adult services across the region. To date Central region DHBs have not given priority to further funding and development of mental health services for children and youth for two reasons:

- During 2000/01 the HFA had allocated significant additional funding for new developments in services for child and youth (\$4,928,800.00 per annum) – most of those new services were still to come on stream
- They were conscious that the largest mental health workforce gaps and vacancies are in child and youth services and there was little confidence that any further developments would be able to be staffed.

These service developments, initiated by the HFA, have now come on-stream. They include:

- Regional Rangatahi/Adolescent Inpatient Service (RRAIS) in Porirua, opened June 2002 to provide inpatient care for youth in a youth dedicated unit.
- Intensive Clinical wraparound service (ICS) established in Hutt Valley to provide services for youth from Wairarapa, Hutt and Capital Coast DHBs, providing multi-systemic therapy and intensive case management for young people who are long-term clients of CYF and mental health services – this service is to be expanded shortly.

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<sup>7</sup> MH-SMART - - Mental Health Standard Measures of Assessment and Recovery

- Acute packages of care (APOC) funding provided, from 2001/02, in all six DHBs to enable young people presenting acutely to be treated in the less restrictive, more local environments – this initiative has had limited success due to lack of appropriate local options for respite care for youth.

During 2004/05 Wairarapa DHB will work with CRMHAN to review and evaluate these recent developments and to develop a comprehensive plan for the implementation of New Futures<sup>8</sup> and the mental health components of the national Youth Health Action Plan<sup>9</sup> across the Central region. Such a plan needs to provide linkages to the more holistic approaches being introduced in primary care, well child, and youth health services throughout the Wairarapa.

Within Wairarapa the recent development of the PHO and the planned development of dedicated health services for youth offer new opportunities for the co-ordinated early detection of Mental Health problems. The DHB will work with the Wairarapa PHO to ensure their development of primary mental health services includes provision for youth mental health. The PHO with its community orientation is likely to be well placed to provide the inter-sectoral co-ordination that is common to best practice approaches to addressing the many mental health issues faced by children, young people and their families/whanau.

### The DHB's Four Mental Health Objectives for 2004 / 2005

Annual Objective	Commence implementation of Wairarapa District Health Board Mental Health Services Strategic Plan	
Approach	<ul style="list-style-type: none"> <li>• Work with NGO's to establish new contracts for provision of Mental Health services</li> <li>• Work with Mental Health Local Advisory Group to develop new structure and processes for accessing services</li> <li>• Work with PHO to develop Primary Care workforce skills in Mental Health and application of National Guidelines</li> <li>• Work with all service providers to develop innovative shared staffing arrangements</li> <li>• Work with all providers to develop quality and information systems</li> <li>• Ensure all service developments are aligned with the developing service model/framework for the Central region (see Regional Mental Health Plan)</li> </ul>	
Milestones	<p><b>Funder</b></p> <p>Develop new contracts for service delivery based on Recovery models and partnerships</p> <p>Packages of care funding is established for a pilot group of consumers by June 2005</p> <p>Implement training for Primary Health Care practitioners in the care of Mental Health consumers and the use of National Guidelines for Primary Mental Health care</p> <p>Implement local components of Regional Mental Health plans – Alcohol and Other Drug Services, Forensic Services, Workforce and Quality Developments</p>	<p><b>Provider</b></p> <p>Establish clear entry and exit criteria for services by July 2004</p> <p>Reconfigure acute treatment services to include full day programme.</p> <p>Ensure access to inpatient services is maintained for those who cannot be treated locally.</p> <p>Provide clinical and management representatives to Mental Health LAG</p> <p>Establish clinical pathways for all DHB provided Mental Health services by October 2004</p> <p>Achieve accreditation and certification by October 2004</p>

<sup>8</sup> New Futures, Ministry of Health This is the national policy document that DHBs are expected to use to guide their development of mental health services for children and youth

<sup>9</sup> Youth Health Action Plan, Ministry of Health, This document sets the national policy directions for developments in health services for youth.

Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>NGO service providers reluctant / unable to respond to restructuring of service provision due to staffing / sustainability issues</p> <p>LAG progress hampered by funding / structure issues</p> <p>PHO Practitioners reluctant to attend training sessions / implement National Guidelines</p> <p>Development of acute day care hospital service restricted by funding, community resistance to change, workforce availability</p>	<p><b>Mitigation</b></p> <p>Clear process and timelines agreed with all parties.</p> <p>Restructuring of contracts with providers considers sustainability of provider</p> <p>LAG membership / Terms of Reference and communication pathways clearly defined</p> <p>PHO providers encouraged to attend through consultation about what training is required, and delivery of training that meets their needs – so their return on time invested in training is high</p> <p>Community, workforce and staff are consulted and informed of changes in services or development of new services, trained to use and deliver new services</p>
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Annual Objective	Implement – MH-SMART Initiative within the Provider Arm	
Approach	<ul style="list-style-type: none"> <li>• Raise awareness of and promote the use of outcome measures across all service providers</li> <li>• Work with DHB Provider arm and Ministry of Health to develop business case for implementation of year one of MH-SMART</li> <li>• Include outcome measurement requirements in all newly configured services and contracts</li> <li>• In consultation with the Ministry and other DHBs develop system performance measures for new service delivery model</li> </ul>	
Milestones	<p>Complete business case for MH-SMART by August 2004-03-09</p> <p>Develop system performance indicators by March 2005</p>	<p>Complete Business case for MH-SMART by August 2004</p> <p>HoNOS<sup>10</sup> used and reported across all DHB provider services by March 2005</p>
Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Difficulty in applying HoNOS systems to smaller, less structured NGOs</p> <p>Knowledge of systems required to implement and monitor health outcome measures low across the sector. Workforce resistant to more 'paperwork'</p>	<p><b>Mitigation</b></p> <p>Training and support in the development of systems to utilise HoNOS, and NZHIS to maintain patient information</p> <p>Workforce training in HoNOS and MH-SMART. Workforce consultation in developing systems to implementing these</p>

<sup>10</sup> HoNOS – The first of the MH-SMART suite of tools designed to measure the well being of consumers during the period of their illness.

Annual Objective	Development of Mental Health services for Maori	
Approach	<ul style="list-style-type: none"> <li>Co-ordinate local planning and service developments for Maori with the work being done by Te Arawhata Oranga – the Central Region Maori expert advisory group – to develop a regionwide plan for implementation of Te Puawaitangi</li> <li>Work with DHB's Maori Mental Health team and Te Hauora to develop a single Kaupapa Maori Mental Health Services for Wairarapa.</li> </ul>	
Milestones	<p><b>Funder</b>          Incorporate recommendations from the review of Kaupapa Maori Mental Health Services in all future service developments</p> <p>Develop linkages between mainstream services and Kaupapa Maori providers</p> <p>Ensure linkage with, and Wairarapa membership of, Te Arawhata Oranga is maintained</p>	<p><b>Provider</b>          Implement full and accurate ethnicity recording across all services</p> <p>Ensure all Maori clients are offered cultural needs assessment</p> <p>Employ at least one Maori clinician</p>
Risk and Mitigation Strategies	<p>Risks</p> <p>No Maori clinicians and supporting workforce available for employment</p>	<p>Mitigation</p> <p>Work with HR to review recruitment and retention strategies that encourage Maori clinicians to apply for positions</p>

Annual Objective	Improve Mental Health services for Children and Youth	
Approach	<ul style="list-style-type: none"> <li>Work with the Wairarapa Youth Health Advisory Group to ensure youth Mental Health issues are addressed</li> <li>Increase funding of services targeted to youth</li> <li>Include Youth Mental Health issues in Mental Health planning with the PHO</li> <li>Work with the CRMHAN Child and Youth advisory group to review and evaluate mental health services for children and youth across the Central region and develop plan for their future development within Wairarapa.</li> </ul>	
Milestones	<p><b>Funder</b>          Specific day youth activity programme is in place by 1 July 2004</p> <p>Complete a Wairarapa Youth Mental Health plan that has linkages to the PHO, CRMHAN planning and service development work, and wider youth health planning for the Wairarapa – first draft to be completed by June 2005.</p>	
Risk and Mitigation Strategies	Insufficient Planning and funding resource to achieve plan	Planning and funding team identifies youth Mental Health as a priority
Indicators and targets / expectations	Quarterly reports to Wairarapa District Health Board on progress on Youth Mental Health services planning and developments	

Indicators and targets / expectations	POP – 08																																									
	Provide a report quarterly on progress towards targets set for access to treatment and support services for people of different age groups and ethnic groups with severe mental illness. Reporting will include information indicating the progress towards providing more accessible and appropriate services for Maori.																																									
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### Allocation of Blueprint Funding

In 2003/04 the Central Region was allocated \$1,300,000 additional Blueprint funding. Of this, Wairarapa DHB received \$78,362. The funding was used to fund the following services in Wairarapa:

Type of service	Service provider	Funding allocation
Activities based arts programme for youth	King Street Artworks	\$17,377
Outreach activities based arts programme	King Street Artworks	\$13,293
Additional methadone places	DHB Provider	\$16,659
Governance & Management training for NGOs and assistance to reach MH Standards	Yet to be decided	\$30,671

For 2004/05 Wairarapa DHB has been allocated \$38,000 (GST incl) of additional Blueprint funding. This will be used to support provision of additional alcohol and drug services

### 2.4.9 Medical, Surgical, and Elective Services

#### Introduction

The Wairarapa DHB provides the following medical and surgical services on both an inpatient and outpatient basis:

- General Medicine
- Paediatric Medicine

- General Surgery
- General Urology
- Orthopaedics
- Gynaecology
- Ophthalmology.

In addition, diagnostic and surgical endoscope procedures are performed and lithotripsy is provided through a visiting bus.

Elective Services are those services provided to patients that have a condition that does not require immediate hospital treatment and can be planned for or staged. Since the introduction of the National Booking Reporting System in 2000/01 Wairarapa District Health Board has made significant changes to the way referrals are processed for First Specialist Assessment and decreasing Waiting Times for elective procedures.

### **Review of the Past Year**

During 2003/04 there has been a strong focus on increasing inter DHB collaboration in provision of specialist services, so as to realize the efficiencies to be gained from optimizing use of scarce specialist skills and theatre capacity across sites, and provide services for patients that are more locally accessible. A Heads of Agreement has been made with Hutt DHB in relation to working together and sharing of specialist resources and personnel. This has increased the range of services available in Masterton and the DHBs ability to meet the requirements for acute on-call surgical cover.

We have introduced a new local plastic surgery service in conjunction with Hutt Valley DHB. Previously Wairarapa residents traveled to Hutt for plastics, now the plastic surgeons from Hutt Valley DHB visit once a month for an outpatient clinic and an operating session. This provides much easier access for local people.

We have also made arrangements with Mid Central DHB for the continuation of local Urology service, following the retirement of a local surgeon. The new arrangement provides for Mid Central urology staff to visit to provide inpatient and outpatient services at Masterton Hospital. Patients deemed too complex or high risk for Masterton Hospital will be transferred to Palmerston North Hospital.

Unfortunately due to staffing gaps prior to new arrangements being put in place, some ground has been lost on meeting the government's target of 100 per cent of people seen for first specialist assessment within six months of referral, and if assessed as needing surgery, treated within six months of assessment.

### **The Year Ahead**

The Wairarapa DHB will consolidate its current service arrangements and commence planning for the expansion of its services as outlined in the business case for the site redevelopment.

### **Ophthalmology:**

An RFP for the service will be issued during 2004 with the expectation that a new service can be implemented from 1 July. The service will include both assessments, surgery and follow up. We will invite responses from as wide a range of providers as possible with a view to completing a contract to provide a stable service at the best possible price.

### **ENT:**

From 1 July 2004, Hutt Valley DHB staff will provide ENT inpatient and outpatient services at Masterton Hospital. Previously there has been no ENT service available locally and patients have travelled to Hutt, Wellington or Palmerston North. All elective ENT will be under the ownership and control of Wairarapa DHB and Hutt Valley

DHB staff will provide the services through a subcontract. Patients deemed too complex or high risk for Masterton Hospital will be transferred to Hutt Hospital

**Dental Surgery:**

Currently we do not provide a dental surgery service. Patients have to travel out of the district for all dental work requiring general anaesthesia. With the current developments in the school dental service, and general dental services it is desirable to have a local dental surgery service. Scoping work is underway to investigate the possible employment (or contracting) of a dental surgeon and the provision of a local service for the less complex cases with an arrangement with a neighbouring DHB to cover more complex cases.

**Dermatology:**

Exploration of the possibility of further developments of a local dermatology service will commence.

No service changes are envisaged in other surgical or medical specialties.

Neighbouring DHBs will be invited to send some low complexity cases to us as part of their strategies for keeping within the government targets for elective services waiting times through the booking system. We have theatre capacity and can expand inpatient capacity to cope with additional work. The work would have to be planned in advance and be of a level that can be built into the Wairarapa DHB's routine workloads.

Overall we will be concentrating on the booking system and meeting the government targets of a maximum of 6 months waiting time for an assessment from the date of referral and 6 months waiting time for surgery following assessment.

For 2004/05 the Wairarapa District Health Board has three key objectives for Elective Services:

- To achieve a maximum six months waiting time for first specialist assessments
- To reduce the number of referrals and/or increase the appropriateness of referrals to outpatients
- To achieve a maximum six months waiting time from first specialist assessment to surgery

In 2004 / 2005 an Elective Services Performance team will be set up to:

- Review current practices and performance
- Identify and implement process performance indicators
- Review and document consistency of clinical decision making
- Progress implementation of nationally consistent referral and assessment guidelines
- Develop primary and secondary collaborative processes and structures.

Work will continue with neighbouring DHBs to explore joint appointments for specialist surgical staff and emergency cover at Masterton Hospital when required.

Annual Objective	Outpatients: A maximum of six months waiting time for first specialist assessment
Approach	<ul style="list-style-type: none"> <li>• Monthly monitoring of waiting lists</li> <li>• Monthly monitoring of throughput by speciality to ensure volume goals are being met</li> <li>• Monthly administration audit to cull and control lists and ensure processes are correct</li> <li>• Monthly reconciliation of statistics with the booking clerks</li> </ul>

Milestones	<p><b>Funder</b></p> <p>Regular monthly review of provider reporting</p> <p>Assist provider to put in place an audit methodology for all referrals by September 2004</p> <p>Audit one specialty per quarter and report back to Providers</p> <p>Identify and set up systems for the Funder to capture and collect the relevant data to ensure referral process indicators are being met</p>	<p><b>Provider</b></p> <p>Develop an audit or assessment process to be used to identify system or process changes needed by September 2004</p> <p>Analyse and take corrective action of any adverse trends or breaches in performance standard - ongoing</p> <p>Develop and implement policies and an audit methodology for consistent clinical decision making processes whereby referrals are triaged and inflows/resources managed to enable the achievement of the six month timeliness standard by September 2004</p> <p>Set up a rolling timetable for at least one service to be audited per quarter by September 2004</p> <p>Improve the standard of data collection and clarify organisational responsibilities of collection and reporting by September 2004</p>
	Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>Increase in number of referrals</p>

Annual Objective	<p>Outpatients: To reduce the number of referrals and/or increase the appropriateness of referrals to outpatients</p>	
Approach	<ul style="list-style-type: none"> <li>• Ensure general practitioner use of referral guidelines and templates</li> <li>• Develop and implement a process to ensure that accepted referrals adhere to guidelines for administration and for specialist triage</li> <li>• Further develop hospital specialist and general practitioner relationships by regular monthly meetings about referral practices</li> </ul>	
Milestones	<p><b>Funder</b></p> <p>Assist with CME sessions on a quarterly basis</p>	<p><b>Provider</b></p> <p>4 joint hospital clinician and general practitioner/PHO CME meetings on Elective Services are setup during the year</p> <p>Regular monthly reports are sent to Hospital Clinicians and GPs on performance against referral process guidelines</p>
Risk and Mitigation Strategies	<p><b>Risks</b></p> <p>General Practitioners could ignore the guidelines</p>	<p><b>Mitigation</b></p> <p>Good communications and the involvements of all parties:</p> <ul style="list-style-type: none"> <li>Information Technology</li> <li>Patient Information Service</li> <li>Outpatients Booking</li> <li>Specialists</li> <li>General Practitioners</li> </ul>

Annual Objective (s)	Inpatients A maximum of six months waiting time from first specialist assessment to surgery	
Approach	Production plans to include Outpatient referrals as well as theatre to planned volumes to ensure throughput  Monthly monitoring and reporting of the Booking System  Monthly monitoring of throughput to ensure that targets are met by specialty  Regular monitoring and reporting and adjustment of the financially sustainable threshold as required  Adjustment of theatre throughput by specialty to allow additional volumes (catch ups') or other planned or acute volume changes as appropriate	
Milestones	<b>Funder</b> Monitoring and evaluation of Booking System reporting next to Production Plans – monthly ongoing	<b>Provider</b> Production plans are transparent to Clinical staff and managers on a monthly basis  Monthly reporting to all specialities as well Funding and Planning
Risk and Mitigation Strategies	<b>Risks</b> Changes in predicted outpatient volumes displacing beds or theatre time  Changes in the levels of referrals to surgery	<b>Mitigation</b> Use periods of low acute demand to push through increased volumes  Adjustments to the financially sustainable threshold
Indicators and targets / expectations	SER-03 Will report six monthly in the second and fourth quarters on progress towards quality improvement and equity of access to elective services	

## 2.4.10 Nursing Practice and Development

### Introduction

The changing clinical environment for the Wairarapa DHB coupled with professional regulation changes will pose significant challenges for the nursing and midwifery professions over the next twelve months. The hospital site development project has created the opportunity to look at models of care within this DHB as well as the relationships and partnerships that need to be built upon with colleagues in both primary and aged care. The advent of a PHO in the Wairarapa allows for key linkages to be developed with primary health care nursing, specifically practice nursing.

Ongoing workforce issues remain around the recruitment and retention of an appropriately trained skill mix and numbers of Maori nurses and midwives employed across the region. However, the introduction of the Bachelor of Nursing Programme within the region will enable the DHB to work closely with the educational institution in creating a workforce who best meet the needs of the population. The New Graduate Programme is consistent in numbers and application and the suitability of expanding this into primary care and possibly aged care over the next eighteen months has commenced.

The Health Practitioners Competence Assurance Act, 2003 (HPCA) requires us as employers to ensure the competence of the DHBs workforce. The DHB has a Professional Development and Recognition Programme currently offered to nurses with some nurses participating in this.

The Nursing Innovations Project in Primary Health Care will build upon the strong beginnings made to the more effective delivery of nurse-led services.

## Review of the Past Year

A significant achievement in the past year has been the introduction of the Bachelor of Nursing Programme. It is expected that this will contribute significantly towards the training and employment of a local workforce, specifically Maori. A considerable support has been implemented to ensure that the students succeed in their study.

Funding accompanying the Innovations Proposal in Primary Care has meant that the project has commenced, initially with an increase in Youth Health Services in the South Wairarapa. The vision for Family Wellness that underpins the proposal means that services will be extended beyond youth over the coming months.

## The Year Ahead

Consistency in the development of the DHBs nursing and midwifery staff over the next two years is crucial if the DHB is to achieve its vision around the partnership model and the more effective and efficient delivery of health care services in both primary and secondary settings. The models of care required means that key staff will provide care differently and in some instances at a higher level than they currently do.

Annual Objectives	Implementation of Primary Healthcare Nursing Plan	
Approach	<ul style="list-style-type: none"> <li>Establishment of leadership group for nurses</li> <li>Work with PHO to develop nurses professional skills</li> <li>Build upon relationships with Primary Health care providers</li> <li>Examine feasibility of first year of practice programme</li> </ul>	
Milestones	Year two of Primary health Nursing innovations project is implemented Establish criteria for the provision for the first year of practice programme Regular meetings established for leadership group Completion of training needs analysis for nurses	
Risks and risk mitigation strategies	<b>Risks</b> Providers reluctant to support professional development of nursing  Lack of leadership prevents unity of professional groups	<b>Mitigation</b> Education around the benefits of the professional development of nurses  Increase access to support from District Health Board professional advisors

Annual Objectives	Identify and develop nursing skills that will met the needs of the Wairarapa District Health Board in the future	
Approach	<ul style="list-style-type: none"> <li>Work with UCOL in the support of nursing students<sup>11</sup></li> <li>Employment of students in a casual capacity</li> <li>Work with Change Manager to develop innovative models of care for the site re-development</li> </ul>	
Milestones	Provision of resources including skills laboratory and medical library Establishment of a mentorship programme Meet site development project milestones for models of care Establish training and education needs required for models of care	
Risks and risk mitigation strategies	<b>Risks</b> Resource constraints prevent optimum support  Resistance to change and acceptance of innovative approaches to service delivery	<b>Mitigation</b> Monitor expenditure and plan well in advance for financial resources required  Consultation process incorporates wide range of staff views and ideas
Indicators and targets / expectations	<i>INV 02</i> Report in the first quarter on the following qualitative measures, <ul style="list-style-type: none"> <li>Role of DON in operational decision making</li> <li>Strategies for the recruitment and retention of staff</li> </ul>	

<sup>11</sup> Refer to Pathway Four section 2.4.2

	<ul style="list-style-type: none"> <li>• Plans to include the nurse practitioner role</li> <li>• Progress towards development of coding mechanisms</li> <li>• Support for Maori nurses clinically and culturally</li> <li>• Development of Primary Health care nursing</li> <li>• Involvement of the DON with the PHO</li> </ul> <p>Updates will be provided each quarter where changes have occurred.</p>
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## 2.4.11 Radiotherapy Waiting Times

### Introduction

Access to specialist cancer treatment is essential in reducing the impact of cancer. The Wairarapa DHB ensures its population has access to radiotherapy services through arrangements with Mid Central DHB and Capital and Coast DHB. This service includes visiting specialist clinics held at Masterton Hospital with provision of radiotherapy treatment at Palmerston North and Wellington hospitals. We are working with MidCentral DHB on a regional collaborative approach and as a result of this regional approach an additional linear accelerator maybe be purchased by MidCentral DHB to ensure equity of regional access.

### Review of the Past Year

Work has commenced with Capital and Coast and Mid Central DHBs to accurately capture and monitor Wairarapa residents' waiting times for radiotherapy. This work will be ongoing in the year ahead to assist in planning and funding of these services.

### The Year Ahead

Closer monitoring of specialist held clinics will commence at Masterton Hospital and discussions with both Mid Central and Capital and Coast DHB on the timely receipt of radiotherapy waiting times will enable Wairarapa DHB to increase control over the waiting times for radiotherapy for patients domiciled within its District, and to ensure those waiting are supported appropriately.

Annual Objective	In partnership with Capital & Coast and Mid Central DHBs provide access to radiotherapy services	
Approach	<ul style="list-style-type: none"> <li>• Monthly monitoring and reporting by the Provider of waiting times for visiting specialist clinics held by Mid Central DHB and Capital and Coast DHB for Wairarapa DHB domiciled patients</li> <li>• Monthly monitoring and reporting of referrals for radiotherapy treatment to Mid Central and Capital Coast DHB for Wairarapa DHB domiciled patients</li> </ul>	
Milestones	<b>Funder</b> Monitoring and evaluation of Radiotherapy Waiting Times reporting – ongoing monthly	<b>Provider</b> Processes and Systems are further developed and implemented to ensure capture of information about Wairarapa DHB domiciled patients waiting for visiting specialist clinics and radiotherapy by September 2004  Monthly reporting to Hospital Advisory Committee included as part of the report on Waiting Times
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	Mid Central unable to purchase additional linear accelerator resulting in increase in waiting times  Increased and/or unknown costs to the Wairarapa DHB from Inter District Flows	Continue to develop access agreements with other cancer treatment centres  Adjustments to the financially sustainable threshold

Indicators and targets / expectations	<i>SER-04</i> Will report quarterly, and in conjunction with DHBs delivering service, on effectiveness and quality of services delivered for patients and details of ethnicity of patients receiving treatment
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## 2.4.12 Respiratory Disease

### Introduction

A Wairarapa DHB strategic priority is to reduce the incidence and impact of Respiratory Disease. As the PHO environment develops, it is expected that increasing emphasis will be placed on population health and prevention of respiratory disease. Also within this environment will be an increase in the active management of people with asthma and chronic obstructive pulmonary disease (COPD). For the first time, with the development of the Wairarapa PHO the DHB will be in a position to be accurately informed by the primary health sector about the numbers of people in the Wairarapa with asthma and COPD.

The appointment of a Respiratory Specialist Nurse in February 2004 is expected to address a number of service issues such as development of respiratory pathways, respiratory rehabilitation, and respiratory services (e.g. spirometry). In conjunction with this appointment, a review of the roles and organisational contexts of specialist nurses will result in a more clearly defined asthma education service. The coming year will be one of considerable development in reducing the incidence and impact of respiratory disease, especially within a PHO environment.

An increasingly intersectoral approach within the Wairarapa is reflected in the joint project for 'Healthy Homes'. This project is planned to commence in 2004 and is expected to continue for a number of years. Key aspects of this programme are retrofitting of insulation and energy efficient education. Major stakeholders in the project are the DHB, Local Authorities, WINZ, PowerCo, and Energy Efficient Authority (EECA).

In addressing other determinants of respiratory health, the DHB will continue to increase the uptake of influenza vaccination, especially for older people and those at high risk. It will also continue to promote smoking cessation programmes, especially through Maori Health providers and through its own status as an employer of health professionals. The Masterton hospital site will be Smoke-free from 1 July 2004.

### Review of the Past Year

Despite delays in the establishment of a PHO, the DHB has progressed well towards the objective of reducing the incidence and impact of Respiratory Disease. Perhaps the most noticeable progress has been reflected in the apparently increased uptake of influenza vaccination as a result of a newly appointed Immunisation Co-ordinator, some very pro-active GPs and timely media coverage. Although vaccination sales have increased by 9.6%, this figure is an unreliable indicator. Unfortunately the Ministry (via Health Pac) has been unable to provide uptake data for 2003. For the past three years admissions for pneumonia have been reducing (27% reduction), as they have generally for respiratory admissions (15% reduction).

During the past year, developments for Wairarapa respiratory services have been guided by the DHB Respiratory Advisory Group. The newly established Respiratory Nurse position is seen as central to further developments in respiratory services within the hospital and community.

During 2003/04 an additional outreach clinic (shared with diabetes services) has been developed at Pirinoa. Other Marae and urban outreach clinics have continued with good attendance. The attendance of an Asthma Nurse Educator at school holiday camps has enabled further health education and management opportunities. The Asthma Nurse Educators have also continued to work closely with the paediatrician, the physicians and the GP through shared clinics.

A stock-take of smoking cessation services within the Wairarapa has identified some successes (e.g. the Aukati Kaipapa programme) and the DHB strongly supports the inclusion of smoking status in the next census. Smoke-

free work, school and social environments continue to increase through the work of Choice Health (Public Health).

## The Year Ahead

The Respiratory Nurse role will be further established in the coming year, with the opportunity to further develop respiratory services within the Wairarapa. Such developments will include the establishment of a respiratory rehabilitation programme, COPD pathways and spirometry in the community. Services will be developed in conjunction with the provider arm and the Wairarapa PHO. Planned structural change and clarification of other specialist nurse roles within the DHB (e.g. Disease State Management Nurse, Asthma Nurse Educators, Cardiac Outreach Nurse) will contribute to this goal.

Increasing rates of uptake for influenza vaccination will continue to be a priority for reducing the incidence and impact of respiratory disease and previously effective strategies will continue to be used. For individuals seeking assistance to quit smoking, the opportunities for such assistance shall continue, with the Aukati Kaipaipa programme specifically targeting Maori and Pacific People.

Marae, rural and urban outreach multidisciplinary clinics will continue, with the inception of a clinic at the new Riversdale Health Clinic.

Choice Health (Public Health) will continue to work with employers, schools etc. to increase the number of smoke free environments. The Healthy Homes programme will target people of low socio-economic status with respiratory disease.

Annual Objective	Promote healthy lifestyles	
Approach	Participate in shared activity initiatives (e.g. with Sport Wairarapa – Hikoi Programme, ‘Push Play’). Take an active role in the intersectoral “Healthy Homes” programme. Target people of low socio-economic status with respiratory disease Apply strategy for increasing influenza vaccination uptake, especially for those at risk.	
Milestones	<b>Funder</b> Evaluation of the health benefits from the “Healthy Homes” programme by June 2005	<b>Provider</b> Co-ordination of the Hikoi Programme by June 2005.  Influenza vaccination strategy applied by June 2005.
Risk and Mitigation Strategies	<b>Risks</b> Limited contribution to the “Healthy Homes” programme by other parties.	<b>Mitigation</b> Ensure active involvement in the development and continuation of the programme to enable early indication of risk.
Indicators and targets / expectations	10% Increased uptake of influenza vaccination by June 2005.  100 People of low socio-economic status with respiratory disease will have participated in the “Healthy Homes” project by February 2005.	

Annual Objective 2	Implement District-wide protocols and pathways for adults with COPD.	
Approach	Whanau Ora and Disease State Management Nurse to be actively involved in developing culturally appropriate pathways for Maori and Pacific People with COPD. Ensure Respiratory Nurse link with the provider arm and PHO to develop effective protocols and pathways for COPD. COPD pathway links with pathways of other neighbouring DHBs. Interdisciplinary approach to Asthma/COPD management plans and respiratory rehabilitation.	
Milestones	<b>Funder</b> Ensure appropriate organisational structure for respiratory services by February 2005	<b>Provider</b> Inter-disciplinary respiratory rehabilitation programme developed

		and commenced by June 2005 COPD service development according to the GOLD standards. Flow chart pathways developed for people with COPD by June 2005
Risk and Mitigation Strategies	<b>Risks</b> Retention and Recruitment of expertise	<b>Mitigation</b> Share expertise across primary and secondary sectors within the Wairarapa and possibly with other DHBS.
Indicators and targets / expectations	The COPD pathway will be depicted by a flowchart for use by all relevant health professionals by June 2005.	

## 2.4.13 Health of Older People

### Introduction

Older people are generally considered to be those aged 65 years and above. It is acknowledged that Maori may age earlier and may need to access services for older people from age 55 years. There is a provision for this.

The Wairarapa has a higher proportion of older people than New Zealand in general, and this proportion is increasing. While currently older people account for over 15% of the total population, by 2021 it is anticipated that a quarter of the Wairarapa population will be aged over 65 years, with the main increase being in the 65 to 74 year age band. Many health issues facing older people (e.g. falls, medication management) are not specific to that age group, but older people experience these issues disproportionately from the rest of the population.

The devolution of funding for disability services for older people on 1<sup>ST</sup> October 2003 and the introduction of an integrated continuum of care provides an exciting opportunity to apply the Health of Older People Strategy (refer to the Wairarapa Health of Older People Plan).

Underpinning the plan is the partnership philosophy which is applied through a systems approach to ensure effective integration of services for older people. Within the journey to achieving that end, will be a number of new initiatives that together will ensure progress towards implementing an integrated continuum of care for older people in the Wairarapa. Initially, priority will be given to initiatives which require minor change and have maximum impact in terms of meeting the needs of older people and contributing towards developing an integrated continuum of care.

By the beginning of 2004 – 2005, the Wairarapa Elder Local Links (WELL) plan will be the basis for further development towards integrating care for older people.

### Review of the Past Year

2003 – 2004 year has been a major year for the health of older people in the Wairarapa. The devolution of Older People's funding to District Health Boards in October 2003 has created a significant opportunity implement the Health of Older peoples' Strategy (2002). The aim of this devolution is to improve the outcomes for older people by putting in place an integrated continuum of care for Older People, whereby an older person is able to "access needed services at the right time, in the right place by the right provider" (Health of Older People Strategy).

During 2003, older people and those interested in their wellbeing have been involved in identifying issues for older people in the Wairarapa and identifying gaps. Such feedback has been through Hui and formal meetings, informal focus groups and through the DHB Health of Older People Advisory group that has been established and reflects a spectrum of providers and consumers.

A number of projects relating to the health of older people have been initiated during 2003 – 04.

- The Health of Older People Advisory Group has been established with a wide range of representation. The work of this group has given direction to a number of initiatives.
- Arising from a public forum organized by the Health of Older People Group, a transport project has resulted in recommendations to the DHB, Local Authorities and the Wellington Regional Authority. These recommendations now form the basis for action.
- A trial for the transitional Health Recovery Programme for older people has been implemented. This programme is aimed at enabling safe discharge from hospital for those people who are medically fit for discharge but unable to immediately return home safely. Early indications of outcomes are encouraging.

The DHB Health of Older People Plan ("Wairarapa Elder Local Links – WELL plan") has been developed in line with the Health of Older people Strategy, the DHB Strategic Plan and the proposed DHB Partnership Model for Service Development. Following consultation with key stakeholders, the plan has been submitted to the Minister for approval and a number of initiatives have already commenced.

## The Year Ahead

The Wairarapa Elder Local Links (WELL) Plan gives direction for partnerships to be forged at all levels in order to address the major dimensions of:

- Effectiveness (Health & Wellbeing)
- Access and Equity
- Safety
- Efficiency (Continuum of links).

The plan includes goals for each the above dimensions and identifies actions at each partnership level - Individual, team, organisation and overall system – all centered around people of the Wairarapa (individually and collectively).

Evaluation of the Health Recovery Programme trial will be completed early in 2004 - 05. Emphasis on effective discharge planning will continue with appropriate and timely assessment of needs and referral to services. National assessment guidelines will be applied in the first instance for people with chronic complex needs. As services are reconfigured in the future with the Masterton Hospital site redevelopment, assessment of older people presenting to the Emergency Department will be given priority.

Other DHB and PHO developments in the effective management of people with diabetes, respiratory disease, cardiac conditions will also impact on the health of older people. Increasing rates of uptake for influenza vaccination will continue to be a priority for reducing the incidence and impact of respiratory disease and effective strategies will continue to be used.

In working towards implementing an integrated continuum of care for older people, one agency will be supported to adopt the lead responsibility for support needs assessment and service co-ordination for people with disability and health related needs. It is appropriate that FOCUS (the local NASC agency) provides a gateway for support for older people and this has resource implications. Needs assessment and service co-ordination functions will be provided in conjunction with other appropriate services (e.g. Assessment, Treatment and Rehabilitation, Maori Health and Mental Health). It is anticipated that assessment for older people with complex needs will be provided through development of the Assessment, Treatment and Rehabilitation Service.

Carer support will be addressed mainly through provision of respite care in residential facilities and carer relief in the home. The DHB will work towards ensuring that these services effectively support carers.

Annual Objective	One agency to have lead responsibility for support needs assessment and service co-ordination for older people, in conjunction with appropriate health and disability services (e.g. Assessment, Treatment and Rehabilitation, Maori Health, Mental Health)	
Approach	<ul style="list-style-type: none"> <li>• Single point of entry to support services</li> <li>• New Zealand Guidelines applied for assessment of complex needs</li> <li>• AT&amp;R service development</li> <li>• Mental Health service development</li> <li>• Training of needs assessors</li> <li>•</li> </ul>	
Milestones	<b>Funder</b> Resource for FOCUS to adopt lead role in needs assessment and service co-ordination for health and disability support for older people.	<b>Provider</b> AT&R service co-ordination  Application of NZGG Assessment Guidelines - Training of needs assessors
Risk and Mitigation Strategies	<b>Risks</b> Limited resources	<b>Mitigation</b> Prioritise projects

Indicators and targets / expectations	One agency is identified as the lead agency for needs assessment and service co-ordination for health and disability support for older people.											
Annual Objective	Enable aging in place and reduce the number of ambulatory sensitive admissions											
Approach	<ul style="list-style-type: none"> <li>• <i>Health Recovery Transitional Programme</i></li> <li>• Link health of older people with Respiratory Service developments for COPD and Respiratory Rehabilitation.</li> <li>• All acute presentations of older people to the Emergency Department are assessed in relation to any issues linked with their presentation and identification of other agencies involved with the older person to enable continuity of care.</li> <li>• Referral to Community Health Service Discharge Planning Co-ordinator for older inpatients being discharged from hospital.</li> </ul>											
Milestones	<p><b>Funder</b> Assist provider in establishing effective discharge systems.</p> <p>Evaluation of the transitional Health Recovery Programme by September 2004</p> <p>Continue to monitor the effectiveness of the Health Recovery Programme.</p> <p>Monitor avoidable admission rates for older people.</p>	<p><b>Provider</b> Establish effective discharge processes for older people, ensuring appropriate and timely referrals.</p> <p>Establish effective Emergency Department assessment processes for discharging older people who present to the department.</p>										
Risk and Mitigation Strategies	<p><b>Risks</b> Lack of co-operation from staff.</p>	<p><b>Mitigation</b> Involve staff in developing effective discharge processes for older people.</p>										
Indicators and targets / expectations	<p>POP-13 ambulatory sensitive hospital admissions for people aged 65 to 74 is less than 7% of the population for that age group (measured as &lt;70 per 1,000 population).</p> <table border="1" data-bbox="668 1330 1224 1413"> <thead> <tr> <th>Age</th> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>65 – 74</td> <td>70</td> <td>110</td> <td>nil</td> <td>60</td> </tr> </tbody> </table> <p>POP-14 Residential Care/Home Care ratio of costs (Target to be agreed within 3 months of data becoming available)</p>		Age	Overall	Maori	Pacific	Other	65 – 74	70	110	nil	60
Age	Overall	Maori	Pacific	Other								
65 – 74	70	110	nil	60								

## 2.4.14 Primary Health Care and Referred Services Management

### Introduction

The Government's Primary Health Care Strategy sets the framework for all developments in primary care. The DHBs strategic plan (2002) states that development of a strong and effective PHO within Wairarapa is central to achievement of all of the DHB's strategic objectives. Until recently primary health care in Wairarapa has been fragmented, and strongly general practitioner oriented, with little multi-disciplinary teamwork. The new directions for primary health services require these services to develop 'whole population' and public health approaches through increasing use of interdisciplinary and intersectoral strategies.

To date, national guidance has focused in PHO initial establishment and provision of baseline medical services. DHBs and the Ministry of Health are now developing a strategic framework to guide the next phase of PHO

development. This will show how pharmacy, midwifery, dentistry and other primary care disciplines will be incorporated.

A parallel concern is to ensure that primary care referred services expenditure is affordable and managed within DHB population based funding. DHBs and the Ministry are working together on guidelines and pathways for more effective management of budgets for these services (community prescribed pharmaceuticals, laboratory tests and radiology). Within Wairarapa growth in unmanaged pharmaceuticals expenditure is a major concern. This expenditure is growing at around 9% per annum, well in excess of growth in DHB funding. Gaining control over this expenditure is an important objective.

## **Review of the Past Year**

In the DAP for 2003/04 the Wairarapa DHB set four objectives for primary health care:

- Establishment and effective operation of a PHO
- Increasing utilisation of PHO services by Maori and Pacific people
- Reduction of growth in expenditure on pharmaceuticals
- Development of primary nursing services
- Greater integration of primary secondary care.

Initial progress has been achieved towards each of these objectives during 2003/04, but much still remains to be done. From 1 July 2003 a project ran for six months to develop prescriber awareness of pharmaceutical expenditure issues and provide pharmacy facilitation, utilization monitoring and feedback for all Wairarapa general practitioners. This work has now been taken over by the PHO. The Wairarapa PHO became operational on 1 January 2004. Numbers of Maori and Pacific people enrolled have increased. Steps have been taken to increase understanding of pharmaceutical expenditure and improve prescribing practice. Nurse led primary health clinics for youth have been initiated. Interaction and communication between primary and secondary care has increased. The main lesson learned over the past year is that planning and implementing change takes time and cannot be rushed if a sustainable result is to be achieved. Considerable time is required to bring all stakeholders on board with new objectives and approaches, and to develop the systems needed. Implementation of new initiatives must be phased carefully so that resources can be used effectively and efficiently.

## **The Year Ahead**

For 2004/05 the DHBs goal for primary health care is to continue to make progress towards the same overarching objectives. Now that the Wairarapa PHO is operational the DHB's focus will be on working with the PHO to ensure the necessary information and reporting systems are developed and that realistic targets are set and achieved across a wide range of activity.

Greater integration of primary and secondary care will be achieved over the next two-three years through increasing development and application of the Partnership Model and across more and more service and population groups – for example: diabetes, mental health, respiratory disease, older people, youth. For further information on these initiatives please see other sections of this DAP that are specific to each of these areas.

In 2004/05 further efforts will be made to control and manage expenditure on community referred services. Continuing high growth in pharmaceutical expenditure (including dispensing fees) is the DHB's biggest financial risk. It has been averaging around 9% per annum over the last two years, and despite the DHB's best endeavours, shows no signs of abating. Since 1 July 2003 the DHB have had in place a contract to provide prescribing analysis and reports to general practitioners, plus pharmacy facilitation and CME sessions (none of which had been provided previously in Wairarapa). The DHB expect, in time, that these activities will bring the pharmaceutical expenditure growth rate in Wairarapa down to the levels achieved in other DHBs.

During 2003/04 Wairarapa pharmacists have proposed that they budget hold for pharmaceutical expenditure. The DHB would prefer that any pharmaceutical budget holding scheme is developed and agreed jointly with general practitioners and pharmacists, with the community pharmacies becoming part of the PHO. Preliminary indications are that this is likely to be feasible. The DHB shall be working on the matter further during 2004/05,

and ensuring local developments are aligned with advice and recommendations that will emerge from the joint Ministry of Health – DHBNZ project on referred services management.

Annual Objectives	<ul style="list-style-type: none"> <li>• Effective operation of the PHO and delivery on business plan</li> <li>• Increasing utilisation of PHO services by Maori and Pacific people</li> <li>• Reduction of growth in expenditure on pharmaceuticals</li> <li>• Further development of primary nursing services</li> <li>• Greater integration of primary and other health services</li> </ul>	
Approach	<ul style="list-style-type: none"> <li>• Relationship management – regular DHB-PHO meetings</li> <li>• PHO performance monitoring and reporting</li> <li>• Joint DHB-PHO working group to develop and implement a local referred services management strategy</li> <li>• Explore options for joint operation and co-location of after hours medical and hospital emergency services and implement preferred option</li> <li>• Combined primary-secondary service working groups to develop Partnership Models (incorporating public health approaches) for diabetes, respiratory disease, older people and mental health</li> </ul>	
Milestones	<p>PHO Maori Health plan submitted to the DHB by September 2004            Plan for development of nursing services within the PHO completed by September 2004            Wairarapa referred services management strategy completed by 31 March 2005            PHO reports on service utilisation and access - quarterly            Plan for combined After Hours – ED service completed by December 2004            Primary mental health service initiated by 31 December 2004</p>	
Risks and risk mitigation strategies	<p><b>Risks</b></p> <p>PHO business plan not achieved</p> <p>Pharmaceutical expenditure growth not reduced</p> <p>No funds available for Primary mental health service</p>	<p><b>Mitigation</b></p> <p>Regular meetings and monitoring, good governance and management processes within the PHO</p> <p>Close monitoring and strong project management</p> <p>Work with PHO to assist effective prioritisation of SIA and Care Plus funds</p>
Indicators and targets / expectations	<p><i>SER-01</i>            Reports six monthly, at 31 December and 30 June, on progress being made in development and implementation of Partnership Models for: After Hours/ED, diabetes and respiratory services, public health services, disability support services, mental health services and older people.</p> <p><i>SER-02</i>            Reports six monthly, at 31 December and 30 June, on participation by Maori in decision making in primary health.</p> <p><i>INV-02</i>            Reports each quarter on development of nursing practice and nursing workforce within the PHO.</p> <p>Pharmaceutical expenditure            Target – annual growth rate of 3% or less            Indicator – monthly expenditure reports</p>	

## 2.4.15 Cardiovascular Disease

### Introduction

Cardiovascular disease remains the leading cause of death in New Zealand, mainly due to ischaemic heart disease and stroke. Maori have proportionally higher rates of heart disease, present with heart disease earlier in life, and have higher death rates from cardiovascular disease than non-Maori. The Wairarapa DHB reflects national trends with an increasing incidence of cardiovascular disease, especially in adults under 65 years. Over the past year, cardiac conditions have accounted for 3.6% of all discharges from Masterton Hospital. Just under

half of these discharges (1.7% of all discharges) were people who had Myocardial Infarction as their primary diagnosis. Reduction of cardiovascular risk is the focus for reducing the incidence and impact of cardiovascular disease. A number of approaches/actions described elsewhere in this Plan (e.g. for diabetes and respiratory disease) also contribute to reducing cardiovascular risk.

Current DHB initiatives that are working well across the Wairarapa such as Cardiac Outreach Nurse at Marae, urban outreach and shared GP clinics, are expected to continue and thrive in the PHO environment. As the PHO develops, it is expected that increasing emphasis will be placed on population health, risk assessment and prevention of cardiovascular disease. Patients with high risk, access problems and complex management needs are referred to the Cardiac Outreach nurse for education monitoring and management.

In the Wairarapa, therapists, nurses, a physician and a visiting psycho-geriatrician provide the Assessment, Treatment and Rehabilitation Service across a variety of settings including inpatient, outpatient, day patient and community based services. Therapy services include occupational therapy, physiotherapy, speech language therapy, dietetics and social work. Older people comprise about 90% of patients receiving this service.

### **Review of the Past Year**

During the past year, regular outreach clinics have been provided in a number of settings by the Cardiac Outreach Nurse, Dietitian and, on occasion, the Hospital Physician. These settings have included Marae and urban outreach centres, with an additional Marae (Pirinoa) being included during 2003-04. These outreach services dovetail with respiratory and diabetes services and provide improved access for patients and more efficient use of limited clinical resources. For 2003/04, all patients discharged from hospital with a cardiac diagnosis have been referred to the Cardiac Outreach Service for home visits and cardiac rehabilitation as appropriate. A third of these patients were Maori. The provision of specialist cardiac medication in a community setting, Carvedilol (optimal treatment for heart failure patients), needs to be provided by a Specialist Cardiac Nurse. In the Wairarapa the majority of Heart Failure patients have been managed on this medication by the Cardiac Outreach Nurse (compared with 7% elsewhere in New Zealand).

Across the district, various activity-based programmes have attracted growing numbers of people. Tai Chi programmes (one being Marae-based), a ten-week Hiko (walking) programme and the Heart Foundation's walking events have been well attended. Healthy lifestyles have continued to be actively promoted by Choice Health, Whaiora Whanui and Sport Wairarapa. Community Health Workers with Te Hotu Manawa Maori training (under the Heart Foundation) were also appointed to work with Maori and Pacific groups in support of diabetes and cardiovascular services. A stock-take of smoking cessation services within the Wairarapa was completed in 2003.

Discharges for people who have had stroke as their primary diagnosis accounted for 2.6% of total discharges from hospital in 2002-03 and just under 3% in 2003-04. The Wairarapa DHB has a purpose-built Assessment, Treatment and Rehabilitation (AT&R) Unit. There has been a noticeable increase in the percentage of stroke patients who have been admitted to the AT&R Unit from 2000/01 (65% of stroke patients) to 2003/04 (77%). During 2003-04, management of the AT&R Service has undergone a change, with the appointment of an AT&R Coordinator who has started to introduce changes in AT&R processes and increase the focus of an AT&R continuum into the community. Stroke patients and their families are benefiting from these developments.

### **The Year Ahead**

Partnerships between providers have been strengthening, especially over the past six months and we plan to continue this momentum. For example, Whaiora Whanui mobile nurses now work closely in transporting and supporting Maori who need to access the community based clinics for Cardiac Outreach Service and other specialist nursing services (e.g. Diabetes). New contracts with Maori Health Providers will provide for further development in their transport and support services in order to increase access by Maori to services for a range of conditions that predispose towards cardiovascular disease (e.g. diabetes, renal disease).

The Wairarapa Community PHO is adopting a healthy lifestyle theme to improve health outcomes of target populations. Planned developments for the coming year include a focus on improved nutrition, increased physical activity and a reduction in smoking related illnesses. In Secondary care, it is anticipated that heart failure services will evolve slowly from their present inclusion in Cardiac Outreach Services.

As a part of the Wairarapa Assessment, Treatment and Rehabilitation Service, stroke rehabilitation will be included in planned service developments such as complex assessment and service coordination processes. An increased focus on promoting referral from primary health providers and providing a flexible service response in a variety of contexts is becoming a priority for service development.

Annual Objective	Reduce the incidence and impact of cardiovascular disease through early detection of those at risk and early, effective intervention	
Approach	<ul style="list-style-type: none"> <li>• Work with a range of public health providers, local government, NGOs, PHO, schools, whanau, and communities to reduce cardiovascular risk factors through interventions to improve nutrition and physical activity and reduce smoking.</li> <li>• Work with the PHO to encourage cardiovascular risk assessment for people with known cardiovascular/diabetes risk factors.</li> <li>• Work with Maori health providers to encourage Whanau Ora staff and Disease State Management Nurse to be actively involved in identifying Maori at high risk of cardiovascular disease, linking with appropriate primary and secondary health services and supporting Maori in lifestyle changes.</li> <li>• Continue the development of Cardiac Outreach Services, especially in relation to reducing the “outcome gap” between Maori and non-Maori.</li> <li>• AT&amp;R Service Development for complex assessment and service coordination for stroke patients.</li> </ul>	
Milestones	<p><b>Funder</b> Support PHO, Public Health and Maori Health providers to focus on promotion of healthy lifestyles and prevention of cardiovascular disease.</p> <p>Work with PHO to introduce reporting of primary prevention and numbers of cardiovascular risk assessments.</p>	<p><b>Provider</b> Implement Regional Public Health work programme in nutrition, physical activity and tobacco control.</p> <p>Continue intersectorial projects with Maori Health providers, Primary and Secondary Health.</p> <p>Chronic Care Management Trial programme evaluation by Feb 2005</p>
Risk and Mitigation Strategies	<p><b>Risks</b> This objective is largely dependant on evolving PHO processes and pathways</p> <p>Reluctance of some Maori to attend GP practices</p>	<p><b>Mitigation</b> Involve and encourage Wairarapa Community PHO in developing services consistent with evidence based best practice</p> <p>Ensure culturally acceptable support for visits to GP</p>
Indicators and targets / expectations	<p><i>POP-01</i></p> <p>Will be reported in the fourth quarter</p> <p>Primary Prevention – Targets will be set within three months of base line data becoming available from the ministry. Targets will identify the number of people in each ethnic group in the identified age groups who have had their five-year absolute CVD risk recorded in the last five years.</p> <p>Acute Coronary Syndromes – Risk adjusted mortality. A DHB region and ethnic rate within a 90% confidence level of the total New Zealand ethnicity rate.</p> <p>The DHB confirms the presence of a geographically identified area for stroke patients.</p> <p>80% of stroke patients in each ethnic group are admitted to a stroke unit/area identified for stroke patients.</p>	

## 2.4.16 Maintaining Quality

### Introduction

The maintenance of robust quality systems is a considerable undertaking. Compliance requirements, consumer expectations increasing and the need to continuously improve are more demanding.

The challenge for the Wairarapa DHB is to maintain a balance between the development and maintenance of quality systems whilst at the same time ensuring services are provided within existing resources.

The quality programme will encompass all services provided by the Wairarapa DHB, providing support, advice and mentoring to all providers of health and disability services.

### Review of the Past Year

Ensuring that patients and health care professionals are safe in the delivery and receipt of Health and Disability Healthcare is the premise of all Quality Systems. Whilst this was not highlighted in the 02/03 DAP, the intervention and lessons learned from the threat of SARS and (within the District) the Cryptosporidium threat, have served as a timely reminder that all quality objectives must ensure safety features are in place at the outset. The learning from these events will become a primary objective for the next year.

The introduction of the Health Practitioners Competency Assurance Act and amendments to the Health and Safety Act has necessitated the review of current systems, additional education, development of associated processes and reconfiguration of associated committees is underway.

The District Health Board has made significant progress towards Certification and Accreditation. As a provider the Accreditation Programme is now in place. The District Health Board has also closely monitored other provider's progress towards accreditation and/or certification to ensure that all healthcare providers within the district meet the certification requirements by October 2004. Certification/Accreditation has provided the impetus for the developments of Quality Systems. The District Health Board has taken a lead role in ensuring that providers are ready; this is evidenced by:

Ongoing development of providers eg) provider and NGO forums on certification, infection control, the improving quality programme, the Code of Rights and other topical issues such as Methamphetamine.

As a service provider, the Wairarapa District Health Board Health and Hospital Services have undertaken;

- An initial Self Assessment
- A pre-survey education
- Completed a Self Assessment against the standard
- Determined a survey date.

Clinical performance within the district has continued to develop with:

- The development of the PHO – providing a forum for Continuum of Care between 1<sup>o</sup> and 2<sup>o</sup> Services
- The development of a Quality Improvement Framework
- The development of a provider Clinical Board,<sup>12</sup> representative of all clinical disciplines and services at Masterton Hospital, and including GP and Iwi representatives
- Clinical Indicator Development
- Senior Medical Officer credentialing is ongoing. The Credentialing Committee is made up of Medical Advisor, SMOs, and a consumer representative
- Ongoing development of the Reportable Events Group, ensuring improvements are made as a result of adverse events and consumer complaints.

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<sup>12</sup> The Clinical Board provides clinical governance within Wairarapa DHB. It determines clinical policy, oversees standards of care, improvements in clinical processes and systems, and development of clinical performance measurement systems.

Improving access to consumers identified the need for development of improved patient information – the Information Trilogy Project:

- Consumer feedback forms developed
- Hospital Service Information brochures developed
- Directory of Health and Disability Services for the region commenced
- Increase in the number, and improved availability of Diagnostic/Intervention/ Disease Specific Information
- Consumer focus groups identified the need for specific improvements i.e. the development of an 0800 number for south Wairarapa residents, improve breast feeding information regarding support and advice.

## The Year Ahead

Ensuring that the Health and Disability Services can continue to respond to an unusual emergency (i.e.) pandemic disease and clinical emergencies is a key priority. Following on from Accreditation and Certification Audits, the DHB will ensure that all providers have action plans in place to address areas of deficits identified.

Continuing to improve infection control practices within the district, primarily provider based however education and support will increase for other providers.

Ongoing development of the Health and Safety programme is required as a result of legislative changes. Development of clinical processes and improved linkages with adverse event reporting will be required to ensure that "Designated Quality Assurance Activities" are consistent with the requirement of legislation (HPCA).

Ongoing development of the Wairarapa Quality framework is required to implement the Ministry of Health Improving Quality (IQ) strategy, and for the continued development of clinical governance principles.

Annual Objective	To promote the safe and continuous provision of health and disability services	
Approach	<ul style="list-style-type: none"> <li>• The Infection Control programme continues to develop and meet the requirements of the Infection Control Standard 8142:2000; Auditor Generals Management of Hospital Acquired Infections and the National Clinical Action Plan for Emerging Infection.</li> <li>• Develop the Health and Safety Programme</li> <li>• Revise and further develop disaster planning systems</li> <li>• All providers meet Certification.</li> <li>• Ongoing cycle of review of Pathways of Care for Maori</li> </ul>	
Milestones	<b>Funder</b>	<b>Provider</b>
Infection Control	<ul style="list-style-type: none"> <li>• Ongoing infection control education for providers and NGOs – July 2004 and ongoing.</li> <li>• All providers meet Infection Control Standard 8142:2000 – October 2004</li> <li>• Development of infection control resource material for providers – August 2004</li> </ul>	<ul style="list-style-type: none"> <li>• Education and development of infection control surveillance systems.</li> <li>• Development of infection control resource material for staff</li> <li>• Review of pandemic plan</li> <li>• Develop surveillance programmes</li> </ul>
Health and Safety	<ul style="list-style-type: none"> <li>• Health and safety training and support for other providers – June 05.</li> <li>• Provider measured against Health and Safety requirements via Certification process, October 2004.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure Hazard ID system identifies stress related aspects – Dec 04.</li> <li>• Further develop systems to mitigate and monitor staff stress</li> <li>• Health and safety training and support to Health and Safety Committee and all staff – July 04 Ongoing.</li> <li>• Implement ACC manual handling guidelines –Dec 04</li> </ul>

Disaster planning	<ul style="list-style-type: none"> <li>• District Civil Defence Plan in place by December 2004</li> <li>• District Pandemic Plan and systems further developed by November 2004</li> <li>• Training, education and drills undertaken by March 2005</li> <li>• District Community Assessment Centre, for community based assessment for Pandemic disease by August 2004</li> </ul>	<ul style="list-style-type: none"> <li>• Business continuity, mass casualty, fire plans reviewed by August 2004.</li> <li>• Review provider systems for Civil Defence - December 2004</li> <li>• Training, education and drills undertaken - January 2005</li> </ul>
Certification	<ul style="list-style-type: none"> <li>• All providers have undertaken certification audits by October 2004</li> </ul>	<ul style="list-style-type: none"> <li>• Provider gains accreditation and meets certification requirements by October 2004</li> </ul>
Whakatataka – reviews of Pathways of Care for Maori	<ul style="list-style-type: none"> <li>• Present findings of review of mental health pathway to Maori Health Committee by March 2005</li> <li>• Present findings of review of Maternity pathway to Maori Health Committee by June 2005</li> </ul>	<ul style="list-style-type: none"> <li>• Review of Pathway of Care for Maori with mental illness, by December 2004</li> <li>• Review of Maternity Pathway of Care for Maori, March 2005</li> <li>• Review pathway of care for Maori with diabetes, by June 2005</li> </ul>

Risk and Mitigation Strategies	Risks	Mitigation
	<p><b>Infection Control</b></p> <ul style="list-style-type: none"> <li>• Lack of awareness of providers</li> <li>• Lack of access to resource information</li> <li>• Lack of co-ordinated response for a Pandemic outbreak</li> </ul>	<ul style="list-style-type: none"> <li>• Increased infection control resource personnel commitment</li> <li>• Develop infection control resource material</li> <li>• Provider and NGO Infection Control training days</li> </ul>
	<p><b>Health and Safety</b></p> <ul style="list-style-type: none"> <li>• Limited ability to dedicated resource personnel to health and safety activity</li> <li>• Lack of understanding re legislative requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Review Health and Safety personnel, and committee resourcing.</li> <li>• Legislative compliance training</li> </ul>
	<p><b>Disaster Planning</b></p> <ul style="list-style-type: none"> <li>• The ability to provide resources, staff and equipment</li> <li>• Lack of collaboration / Civil Defence</li> </ul>	<ul style="list-style-type: none"> <li>• Working drills</li> <li>• Purchase of equipment to cope with pandemic disease</li> <li>• Resource personnel "Champions"</li> <li>• Additional resources committed to disaster planning and assistance</li> </ul>
	<p><b>Certification</b></p> <ul style="list-style-type: none"> <li>• Some providers may fail to meet certification standard.</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing monitoring to assure all providers meet certification requirements</li> </ul>

Annual Objective	Clinical Systems will be delivered efficiently, and their effectiveness evaluated	
Approach	<ul style="list-style-type: none"> <li>• The provision of safe, effective and efficient health and disability care is dependent on clinical systems that are lead, monitored and evaluated.</li> <li>• Clinical performance will be evaluated with the improved development of clinical indicators, audit and a clinical measurement programme.</li> <li>• Ongoing development of best practice guidelines.</li> <li>• Implementation of the IQ strategy</li> <li>• The Clinical Board provides a clinical governance function and overseeing the monitoring and development of clinical practice.</li> <li>• Credentialing system continues to develop; consumers will be involved in all aspects of this process.</li> <li>• Learning's as a result of adverse events will provide the basis for clinical improvement.</li> <li>• Quality assurance activities will be reported to the Clinical Board.</li> </ul>	
Milestones	<b>Funder</b>	<b>Provider</b>
Clinical Measurement	<ul style="list-style-type: none"> <li>• Measurement against DAP priority "areas" eg) Diabetes, Respiratory etc. will be reported – July 04</li> <li>• IQ Target date will be met as per action plan – July 2004 and ongoing</li> <li>• Adverse events reported from providers require action plans which will be monitored – July 2004 and ongoing</li> <li>• A forum will be provided for providers and NGOs to share and learn from adverse events – January 2005</li> </ul>	<ul style="list-style-type: none"> <li>• A clinical measurement programme is developed including clinical indicators, audit activity, and the determination of clinical performance indicators (CPI) action plan developed – September 2005</li> <li>• Best practice guidelines will continue to develop, with consistent practice and collaboration between primary, secondary and tertiary care providers - July 2004 and ongoing</li> <li>• Report against the IQ Strategy Action Plan – July 2004</li> <li>• WDHB Quality Framework in place by August 2004</li> <li>• The Clinical Board will report progress of credentialing – September 2005</li> <li>• The Reportable Events Group will report to the Clinical Board in a timely fashion. Action plans developed and monitoring against actions will be overseen by the Clinical Board – July 2004 and ongoing</li> </ul> <p>The Clinical Board provides a summary of activities undertaken as a result of DQAA by 2004 and ongoing</p>
Risk and Mitigation Strategies	<b>Risks</b> <ul style="list-style-type: none"> <li>• Clinician input into quality improvement activities is limited</li> <li>• IT systems not able to support clinical audit</li> </ul>	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Strategies for clinical governance will be explored</li> <li>• IT Strategic Plan</li> </ul>
Annual Objective (s)	Access and Equity	
Approach	<ul style="list-style-type: none"> <li>• Healthcare information will be developed in mediums and languages acceptable to the communities served</li> <li>• Interpreter and cultural resource programmes will be established</li> <li>• Transport</li> </ul>	

Milestones	Funder	Provider
Communications Trilogy	<ul style="list-style-type: none"> <li>• Directory of Healthcare Providers developed – Sept 04</li> <li>• Information on Healthcare providers within the district available on internet site – Jan 05</li> </ul>	<ul style="list-style-type: none"> <li>• Consumer information Re/Health conditions further developed</li> <li>• Cultural Resource package developed – Mar 05</li> <li>• Ethnicity education and programme developed – Aug</li> </ul>
Risk and Mitigation Strategies	<b>Risks</b> <ul style="list-style-type: none"> <li>• Consumers not electronically literate or lack of access</li> <li>• Limited resources and competing priorities to implement milestones</li> </ul>	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Exploration of innovative systems will attempt to address accessibility and resource issues</li> </ul>
Indicators and targets / expectations	<i>QUA - 01</i> <ul style="list-style-type: none"> <li>• Provide an annual report confirming the new and renewed service agreement with regard to quality specifications. Any exceptions will be included in the report.</li> <li>• Confirm six monthly reporting systems are in place to report and manage adverse events in line with guidelines and legislation.</li> <li>• Provide a report six monthly on audit activity of the provider arm and contracted providers either routine or issue based. The report will include actions taken, with specific regard to personal health and mental health.</li> <li>• A report will be submitted six monthly re quality initiatives and clinical audit activity. The report will demonstrate progress against the IQ Action Plan.</li> <li>• Six monthly, there will be confirmation that the provider arm has submitted data to the Ministry of Health for: <ul style="list-style-type: none"> <li>• Balance scorecard reporting, specifically blood stream and patient satisfaction.</li> <li>• For the Mental Health Information National Collection</li> </ul> </li> </ul>	

## 2.4.17 Information and Communications Technology

### Introduction

As one of the smallest District Health Board's, Wairarapa District Health Board has a comparatively small but nevertheless complex ICT environment. The District Health Board operates and maintains local and wide area networks across four sites, which service about 300 devices (PC's, Thin Client terminals and printers) to provide DHB staff with access to information systems.

Additionally the network infrastructure includes a number of network routers and firewalls that interconnect and route authorised network traffic between Wairarapa District Health Board's networks and other networks. These other networks include the public Internet, the Health Intranet plus some private networks such as the Ministry of Health, Wakefield Radiology and the New Zealand Blood Service.

The Wairarapa District Health Board operates its own servers, which run a number of different operating systems including Unix, Linux, Windows 2000 Server and Novell Netware. These servers provide a wide range of services including file and print management, database management, application serving, internet/intranet access and access control to over 400 staff who use the District Health Board information systems. Standard applications such as Microsoft Office and email are available to all users while a significant number of more specialised applications which support the numerous departments are also provided.

The ICT environment is managed by the DHB's Information Technology Service which currently operates with a small team of five, including the Information Technology Manager. This team maintains the infrastructure and provides a wide range of services that support the electronic collection, storage and delivery of information for use by Wairarapa District Health Board services and external stakeholders. The IT Manager reports to the General Manager Corporate Services.

## Review of the Past Year

In the 2004/2005 year we continued to maintain and support existing systems while progressing some initiatives and replacing equipment. With a small team, increasing demands, changing priorities, technical issues and increasing complexity of the environment meant that little progress was made on some previously planned initiatives.

Progress made during the year included:

- Continued replacements of outdated leased equipment including a number of servers
- Worked closely with CEO's from central region DHB's to develop a regional framework for collaboration on ICT
- Developed the first ISSP based on the new national ISSP framework
- Migrated NHI and NMDS telecommunications connections from an older telecom dedicated network to the health intranet
- Implemented upgrades to a number of the DHBs hospital information systems
- Initiated project to implement a fire protection system in the computer room
- Worked with DHB staff to assist the improvement of data quality issues in areas such as ethnicity, domicile data, MHINC
- Started the planning and implementation of a significant project to migrate from Novell to Microsoft network application infrastructure
- Signed new 2003 licensing agreement with Microsoft (a three year commitment)
- Started an initiative to select a preferred supplier for clinical information systems
- Implemented technology to provide capability to receive lab results into Wairarapa District Health Board lab systems from external providers – to improve hospital -> GP electronic reporting capability
- Examined the options for digital imaging and gained approval to proceed to RFP for Radiology Information System and a computed Radiology & Picture Archiving Communication System.

## The Year Ahead

"Development of comprehensive and integrated information systems is a key requirement for the Wairarapa District Health Board to succeed with its long-term objectives."<sup>13</sup>

The Wairarapa District Health Board has a broad range of responsibilities and objectives. The effective access, management and use of relevant, good quality information is a key requirement for the District Health Board to achieve its goals. It is critical that ongoing development of comprehensive, accessible and integrated information systems that offer benefits to patients, health care professionals, health care planners and managers continues.

The Information Technology Service has a key role in continuing to develop and improve these systems and in supporting the District Health Board in meeting its goals. It will endeavour to do this within the resource constraints of the business while following some general principles including<sup>14</sup>:

- ICT should be driven by business needs
- ICT must enable improved health outcomes
- ICT development must support Wave<sup>15</sup>
- Information is a valuable asset
- Information costs – prioritisation is necessary
- Maximise investments and minimise costs
- Share and collaborate where appropriate
- Quality and integrity is essential
- Information must be secure.

Some key initiatives<sup>16</sup> that will either be implemented or progressed through 2004/2005 include:

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<sup>13</sup> Wairarapa District Health Board District Annual Plan- 2003

<sup>14</sup> Refer to the Wairarapa District Health Board Information Systems Strategic Plan for more on principles and strategies.

<sup>15</sup> WAVE – Working to Add Value through E-information, MoH et. al. October 2001

- Maintaining a functional ICT environment throughout the Hospital Redevelopment Project
- Completing migration from Novell network infrastructure (enterprise directory, authentication, file system, print and other services) to Microsoft (equivalent technologies, Active Directory etc.)
- Progress implementation of first phases of new Clinical Information Systems
- Implementation of Microsoft Exchange Server and related collaboration technology
- Providing improved secure access to electronic information systems and clinical knowledge sources
- Improvements to reporting systems
- Digital radiology

Annual Objective	Implement year 1 projects as described in ISSP	
Approach	<ul style="list-style-type: none"> <li>• Work with DHB stakeholders to prioritise projects</li> <li>• Utilise existing sector knowledge through collaboration and sharing to minimise effort and cost in progressing ICT projects</li> <li>• Work with MoH and other external agencies to progress nationwide initiatives</li> </ul>	
Milestones	<p>Complete Novell to Microsoft infrastructure migration by December 2004</p> <p>Complete Exchange implementation, mailbox migration and email client change to Outlook by September 2004</p> <p>Progress Clinical Information System initiatives throughout the year</p>	
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	<p>Insufficient human resources to meet demand</p> <p>Insufficient skills</p> <p>Impact of additional IT demands during Hospital Redevelopment project</p> <p>Competing priorities</p>	<p>Careful management of in-house and external resources</p> <p>Use of external resources with appropriate skills working with staff to ensure some knowledge transfer</p> <p>Providing appropriate training and resources to staff</p> <p>Prioritisation of initiatives</p> <p>Additional resources allowed for</p>

Indicators and targets / expectations	<p><i>INV-01</i></p> <ul style="list-style-type: none"> <li>• Provide a report six monthly report of progress towards following indicators selected from WAVE:</li> <li>• Improving access to clinical knowledge bases (such as Cochrane and Medline) and clinical guidelines or protocols such as clinical decision support systems for cardio-vascular, diabetes and referral guidelines.</li> <li>• Towards implementation of electronic referral letter and hospital discharge summary notification functionality between hospital and General Practitioner.</li> <li>• Towards increasing the number of General Practitioners using electronic pharmaceutical prescribing.</li> <li>• Towards increasing the number of General Practitioners using electronic laboratory test ordering and receiving electronic laboratory results.</li> </ul>
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<sup>16</sup> Refer to the "Transition Plan" section of the Wairarapa District Health Board Information Systems Strategic Plan for more on proposed initiatives.

## **2.4.18 Workforce Development**

### **Introduction**

Workforce planning and development has been identified as a top priority on a local, regional and national level. There are national trends that show retention and recruitment issues are increasingly impacting on service delivery.

DHBNZ has identified that workforce development is a priority issue for the health sector and is committed to the development of a coordinated and collaborative approach to workforce development sector wide. Wairarapa DHB is on track to establishing a Workforce Action Plan in the year ahead and has several initiatives planned that will build strategic capacity.

In combination with some imminent legislative changes, specifically the Health Practitioners Competency Bill and the increasing requirement to meet quality standards e.g. credentialing for medical staff, the need to develop programmes to support and develop staff is therefore essential.

Rural communities like the Wairarapa have an additional problem in attracting people to small centers. The lifestyle approach has worked for some but increasingly the inability to provide the range and depth of clinical work has meant that many do not see this as an attractive work option. Many of the Wairarapa DHB services are small and particularly vulnerable to staff turnover. This requires a significant level of inter-agency cooperation and relationship management.

There are opportunities for the DHB to be a training ground for new graduates and thus utilising the skills of senior staff for the benefit of the newer graduates and the service as a whole.

Wairarapa has a high Maori population. While this is not reflected in the Wairarapa DHB provider staffing mix at present, initiatives such as the supporting of Maori students in the UCOL Bachelor of Nursing degree, and supporting iwi groups in the development of their workforce will make headway towards improving this situation.

The remodeling of the services that will take place during the site redevelopment project will provide opportunities for staff to develop new or different skills and to develop an exciting organisational culture around these changes.

### **Review of the Past Year**

Over the last year focus was placed on working with the regional and national initiatives with regular participation at meetings and developments.

We have continued to refine the recruitment process we have and have identified and developed local training initiatives such as the UCOL nursing degree.

The DHB provider has a Maori Health plan which has identified initiatives to improve the recruitment of Maori staff. There has been an active Maori support group for staff and increasing inclusion of Maori on appointment panels.

A clerical staff evaluation process has been implemented which will enable equity and fairness in appointments to this type of position. This will also have a positive impact on better aligning administrative staff to the positions they hold.

There has been active support for the LAMP programme with four people participating this year to assist in development of management capability that was an objective in the last year and a priority in the DHBs workforce planning.

Recruitment and retention of medical staff continues to present challenges and is continuing to be held as a high priority issue by all levels of the DHB.

## The Year Ahead

The Health Practitioners Competence Assurance Act, 2003, (HPCA), requires us as employers to ensure the competence of the DHBs clinical workforce. The requirements around this act will need to be addressed during the year ahead and therefore has significant implications for clinical workforce training and development.

This will include the development of appropriate processes and policy frameworks within both the funder and providers of the DHB who employ clinical staff.

This year the Wairarapa District Health Board has three key objectives it will work to:

- Develop a constructive organisational culture which will have impact on the recruitment, retention, management and mix of staff
- Ensure that the infrastructure to support workforce development is sound
- The framework to ensure compliance with the HPCA will be established

Annual Objective	Develop a constructive organisational culture
Approach	<ul style="list-style-type: none"> <li>• Describe and encourage the desired behaviours to develop a constructive culture</li> <li>• Work with regional and national initiatives to improve recruitment processes</li> <li>• Work with PHO and community providers to ensure creative local solutions to workforce planning are developed</li> <li>• Develop and implement strategies to ensure the recruitment, retention and development of Maori staff</li> <li>• Develop quality and information systems to enable accurate analysis of workforce development trends</li> </ul>
Milestones	<p><b>Provider</b> Deliver a culture survey tool and implementation plan by June 2004</p> <p>Work with the site redevelopment process to capture opportunities to develop new process and supporting behaviours that align to the culture June 2005</p> <p>Develop a local leadership programme for management staff and continue involvement in the national programme (LAMP) by December 2004</p> <p>Develop action plans for strategies to ensure recruitment, retention and development of Maori staff June 2005</p> <p>Develop action plans for increasing opportunities for community and PHO input to workforce development e.g. new roles, secondments, participation in mentoring programme June 2005</p> <p>Work with the PHO to support training initiatives of Primary Care Staff including programmes covering Treaty of Waitangi / cultural safety, clinical training of nurses, encourage and train GPs who have a specialist interest (eg ED, paediatrics) to develop and use these skills</p> <p>Review current information systems and define needs to meet effective analysis capability by December 2004</p>

Risk and Mitigation Strategies	Risks	Mitigation
	<p>Organisation reluctant to change</p> <p>Community and /or PHO reluctant to develop in partnership</p> <p>Inadequate resources to deliver the objectives</p> <p>PHO members reluctant or unable to commit time and resources into training initiatives</p>	<p>Develop clear communication plan and consultation processes</p> <p>Ensure effective consultation process implemented and observable action occurs</p> <p>Regular monitoring of progress and prioritisation of work required staffing levels and funding options</p> <p>Work with PHO members to ensure training meets specific needs, providing good return on investment for them</p>

Annual Objective	Ensure that the infrastructure to support workforce development is sound
Approach	<ul style="list-style-type: none"> <li>• Review and realign key related policies and processes in DHB provider service</li> <li>• Work with regional and national initiatives to improve human resource practice</li> <li>• Ensure best practice in Human Resource management is implemented</li> <li>• Ensure effective industrial relations strategies</li> <li>• Work with HWAC and Ministry of Health to develop Workforce Action Plan in keeping with nationwide and regional initiatives</li> </ul>
Milestones	<p><i>Provider</i></p> <p>Develop action plan to ensure staff management practices are effective e.g. interview processes, performance appraisals, and training needs identified June 2005</p> <p>Training needs analysis completed August 2004</p> <p>Ensure information and quality systems are support workforce development practices June 2005</p> <p>Develop process to monitor and report on progress in workforce development June 2005</p> <p>Participate in regional and national processes for employee negotiations June 2005</p> <p>Increase management capability in best practice employee relations management and legal imperatives June 2005</p>

Risk and Mitigation Strategies	Risks	Mitigation
	Inadequate resources to deliver the objectives	Regular monitoring of progress and prioritisation of work required staffing levels, and funding options
	Best practice standards in Human Resources not implemented	Develop regional and national networks to ensure currency
	Disruption to services though unmanaged industrial relations issues	Develop clear accountability and responsibility parameters and increased management capability
		Active participation in regional and national processes for collective bargaining

Annual Objective	The framework to ensure compliance with the HPCA will be established	
Approach	Work with external professional bodies to ensure a smooth transition to the changed environment Work with all providers to develop a framework of processes and policies that comply with the requirements of the act Work with funder arm to ensure all providers with clinical staff meet contractual obligations around staff competencies and requirements of the HPCA	
Milestones	Accreditation of Wairarapa District Health Board nursing and midwifery professional development programme Work with Aged Care providers to ensure HR requirements for certification are met Work with PHO to achieve compliance for all Primary Care clinicians	
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	Non achievement of certification of aged care providers	Provide training and mentoring
	PHO unable to treat HPCA as a priority due to other operational issues	Provide professional development and guidance opportunities
	Provider Arm unable to treat HPCA as a priority due to other operational issues	Adequate resources provided to support staff through this process
Indicators and Targets	Regular reporting to the Wairarapa District Health Board and external professional bodies on progress towards compliance with HPCA	

## 2.4.19 Employee Relations

### Introduction

In support of the commitment to being a good employer Wairarapa DHB has developed an effective employee relations strategy. Recruitment and retention of the workforce is affected by how well employee relations are managed. Fair and safe conditions of employment will attract and retain essential skilled staff.

As a small DHB participation in regional and national initiatives is essential to maximize opportunities and use scarce resources wisely. There is an increasing trend for professional groups to move towards MECA arrangements, which require DHB's to work collaboratively.

At an operational level the effective management of employee relations that will have a positive impact on turnover rates and job satisfaction. This includes not only fair and equitable conditions of employment but also performance management.

### Review of the Past Year

Over the last year focus was on working with the regional and national initiatives with regular participation at meetings and developments.

With a few exceptions, including nursing and senior medical staff, all the collective agreements that have expired this year have been successfully renegotiated.

### The Year Ahead

This year the Wairarapa District Health Board has two key objectives it will work to achieve:

- Continue to implement a sound employee relations strategy
- Ensure that the infrastructure exist to support a safe and fair working environment.

Annual Objective	Continue to implement a sound employee relations strategy	
Approach	<ul style="list-style-type: none"> <li>• National and regional bargaining processes will be used effectively</li> <li>• Good faith bargaining principles will be adhered to</li> </ul>	
Milestones	<p><b>Provider</b> Effectively manage relationships with bargaining agents through regular bipartite meetings. July 05</p> <p>Participate and co-operate with regional and national bargaining initiatives. July 05</p> <p>Ensure all expired collective agreements are successfully negotiated July 05</p> <p>Review all Individual Employment Agreements for consistency and fairness June 05</p>	
Risk and Mitigation Strategies	<b>Risks</b>	<b>Mitigation</b>
	<p>Cost of settling agreements exceeds annual budget</p> <p>Disruption to services though unmanaged industrial relations issues</p> <p>Poor management of employee relations</p>	<p>Creative solutions for negotiation are sought</p> <p>Active participation in regional and national processes for collective bargaining</p> <p>Support and training given to line managers</p>

Annual Objective	Ensure that the infrastructure exists to support a safe and fair working environment
Approach	<ul style="list-style-type: none"> <li>• Review and realign key related policies and processes in DHB provider service to provide the desired working environment</li> <li>• Increase provider management capability in best practice employee relations management and legal imperatives</li> </ul>

Milestones	<b>Provider</b> Training sessions for managers on Employment Relations legislation and processes June 05 (to be integrated with management development programme) Ensure information and quality systems support effective employee relations practices. June 2005 Health and safety committees meet and report regularly June 05	
Risk and Mitigation Strategies	<b>Risks</b> <ul style="list-style-type: none"> <li>• Inadequate resources to deliver the objectives</li> <li>• Organisation is resistant to developing capability in effective employee relations</li> </ul>	<b>Mitigation</b> <ul style="list-style-type: none"> <li>• Regular monitoring of progress and prioritisation of work required staffing levels, and funding options</li> <li>• Develop a constructive culture where learning is valued and there is a thirst for excellence.</li> </ul>

## 2.4.20 Addressing Disability Issues

### Introduction

The 2001 New Zealand Disability Survey showed that one in five New Zealanders experience some form of disability and that disabilities increase with age. The Wairarapa DHB's Disability Strategy Action Plan outlines how we will strive to implement the vision of the New Zealand Disability Strategy throughout the organisation over the next two years<sup>17</sup>. The action plan builds on the Wairarapa DHB's strategic intent to work towards developing an inclusive Wairarapa. A significant focus of the plan is developing infrastructure within the Wairarapa DHB to successfully model the behaviour and attitudes required to achieve the strategic goal. This will mean making changes on a number of levels to eliminate barriers for people with disabilities:

- As a health and disability services provider
- As a funder and planner of health and disability services
- As an employer
- As a communicator and provider of information.

2003/04 has been focused on developing an implementation framework for the New Zealand Disability Strategy for the Wairarapa DHB. 2004/05 will focus on implementing specific initiatives outlined in the DHB Disability Strategy Action Plan and the plan for introducing an integrated continuum of care for older people.<sup>18</sup>

### Review of the Past Year

The devolution of funding for disability services for older people in 2003 – 04 and the introduction of an integrated continuum of care provides an exciting opportunity to address issues within both the Health of Older People Strategy and the New Zealand Disability Strategy. With devolution of funding, the DHB has greatly increased its knowledge of disability services for older people within the Wairarapa. The 2003/04 DSAC programme has included presentations from all providers of disability services for older people, giving the DHB a strengthened link with these providers and an increased understanding of the sector.

Other disability services have also been addressed during the past year. The Assessment, Treatment and Rehabilitation service has initiated an interdisciplinary service development group that has focused on service development, especially service co-ordination (across all settings). This initiative will provide a springboard for

<sup>17</sup> Wairarapa District Health Board Disability Action Plan 2004

<sup>18</sup> Wairarapa District Health Board Health of the Older person Plan 2004

future developments in assessment of people with complex health and disability issues and co-ordination of the AT&R Service in general.

The Central Region Technical Advisory Service (TAS) has commenced an Accessibility Survey of all providers contracted by the DHB. The purpose of this survey is to gather baseline data about the DHBs providers, and alert them to disability/accessibility issues. All providers are being surveyed irrespective of whether their services are designed specifically for disabled people or for the wider community.

Liaison and consultation with disabled people and other key stakeholders, including DPA and field officers has occurred through DSAC and the Needs Assessment and Service Co-ordination Agency (NASC) Advisory Group that consists of representatives from all disability groups. In addition, DSAC has participated in the annual disability forum, "Don't Dis-Ability" and the Health of Older People Service Development Public Forum.

Arising from the public forum for developing Health of Older People Services, a transport project has resulted in recommendations to the DHB, Local Authorities and the Wellington Regional Authority. In addition to describing current provision and problems, this project also addressed transport issues for people with disabilities.

**The Year Ahead**

The DSAC programme for the year ahead includes monthly meetings, open to the public, and enables continued links with providers of disability services. Continued DSAC involvement in the Public Forum for Health of Older People and the Disability Forum is expected to enhance community links.

Hospital site redevelopment will commence during the year, with DHB services (hospital and community) being reconfigured to reflect the partnership philosophy that has been adopted by the DHB. Partnership with Maori is a fundamental component of future developments. Effective partnerships are required for all services at many different levels. The delivery of all services will be enhanced as new partnerships and collaborations are forged within and between services. The partnership model is inclusive of community groups, support agencies, health and disability service providers and the consumers, people individually and collectively, tu tangata. For people with disabilities, the focus will be on eliminating barriers and promoting an inclusive society that supports people to fulfill their potential. Within the journey to achieving that end, will be a number of new initiatives that together will ensure progress towards implementing the New Zealand Disability Strategy

The Wairarapa DHB Disability Strategy Action Plan and Health of Older People Plan will give direction to priorities that have dual benefit for people with disabilities, and older people. These shared approaches include:

- Accessible information/communication
- Increasing the use of disability support services by Maori and developing Maori specific home support options / services.
- Carer support
- Training of needs assessors
- AT&R service development
- Quality Improvement and Service Audits of providers to include accessibility for people with disabilities.
- Development of workforce competency in relation to disability and older people.

Annual Objective	Advance implementation of the New Zealand Disability Strategy through practical and attitudinal changes.
Approach	<ul style="list-style-type: none"> <li>• Information about services and how to access them is available in appropriate formats</li> <li>• All Renewed service contracts and service audits include accessibility for people with disabilities</li> <li>• Increasing Maori access and appropriate support</li> <li>• Provision of recruitment, training and co-ordination for carer relief</li> <li>• AT&amp;R Service Development</li> <li>• Training of needs assessors</li> </ul>

	<ul style="list-style-type: none"> <li>Workforce development – Disability included in staff training days.</li> </ul>	
Milestones	<p><b>Funder</b> Resource FOCUS (NASC Agency) to adopt lead role in training needs assessors.</p> <p>Work with FOCUS and Maori providers in developing access to disability support services and appropriate home support options for Maori and Pacific people.</p> <p>Accessibility for disabled people included in service audits, from July 2004.</p>	<p><b>Provider</b> Service Information provided in appropriate formats for people with disability - by November 2004</p> <p>Establish AT&amp;R service co-ordinator position - July 2004</p> <p>Focus will have trained AT&amp;R staff in needs assessment by March 2005</p> <p>Provide orientation and training in disability issues for all staff – from October 2004</p> <p>Accessibility for people with disabilities is included in all site re-development planning – from July 2004</p>
Risk and Mitigation Strategies	<p><b>Risks</b> Limited resource.</p>	<p><b>Mitigation</b> Prioritise projects</p>
Indicators and targets / expectations	<p>All DHB services aware of and addressing disability issues. Progress reports provided to Disability Support Services Advisory Committee in November 2004 and May 2005.</p>	

## 2.5 Site Redevelopment

### Introduction

The aim of the Masterton Hospital Site Development project is the implementation of a new model of service provision in redeveloped facilities that will deliver both health and economic benefits.

For more than a decade the health and hospital services and facilities at Masterton Hospital have been in need of major overhaul. Facilities are unfit for purpose and non-compliant with a wide range of statutory requirements. Services are organised and delivered along traditional lines that are episode driven and increasingly fail to meet the community's needs for more integrated and holistic approaches.

The Wairarapa population has poorer health status than similar population groups in the rest of New Zealand, and there are significant disparities between Maori and non-Maori. The fragmented nature of services, pockets of very high deprivation, both urban and rural, and lack of transport links are significant issues impacting on service access and effectiveness.

Although the population of the Wairarapa is predicted to remain static, the mix of the population is changing to higher percentages of older people and younger people, with increasing proportions of Maori and Pacific people. It is these groups that have highest health needs. Services will need to continue to expand to keep pace with demand due to changing demography and epidemiology.

The Wairarapa DHB was experiencing growing deficits and inability to invest. It was unable to continue to provide services as they are delivered now and remain financially viable. In order to address these issues the Hospital Development project was scoped and commenced in November 2002.

The aims of the project are as follows:

- Development of a health services plan that describes the services to be delivered by the DHB provider and the framework within which they should be developed.
- Evaluation of alternative models of care (how the services are to be delivered) that best meet service development objectives
- Identification of the preferred model of care

- Review of the current facility and compliance issues
- Evaluation of facility options resulting in a Master Plan for the development of Masterton Hospital for the next 20 years.
- Implementation of the preferred model of care and master plan.

### **Review of the Past Year**

The first step was the development of service development objectives to guide the planning process. The DHB determined that any new service design or development must:

- Meet identified community and patient needs
- Promote partnerships between health service providers and with other agencies and sectors
- Demonstrate effective integration across continuums of treatment and care
- Demonstrate financial accountability
- Promote a culture of learning and innovation.

Planning then focused on services and models of care that would meet the needs of the Wairarapa people. This involved detailed needs and trend analysis, benchmarking and identification of innovative ways of delivering services. The resulting partnership model was developed from this work together with consideration of the DHB's vision, strategic goals and pathways set out in the Wairarapa DHB's strategic plan. The partnership model describes the working alliances that must be implemented in the new structures and facilities if the DHB's strategic vision is to be realised. Partnership with Maori is a fundamental component of the new model of care.

Next, work commenced on the identification of requirements for facilities from which the services would be provided. Key development parameters were established to guide the formulation of the facility options. A wide range of service and facility options were analysed and costed to determine the preferred option.

All this work was brought together into a business case proposal that was submitted to the Ministry of Health in August 2003. Throughout the development of the business case there was dialogue and consultation with all key stakeholders. - The business case sought approval of \$27.2m capital funding for the proposed service and facility developments.

The Health Minister approved the project early December 2003. Planning then commenced for the next stages of the project that will include appointment of design, cost and service consultants, reviewing the work done to date, concept and detailed design, construction and commissioning. The business case phase of the Hospital Development project initiated the first tangible output of change within Wairarapa DHB and the community. This was followed with the appointment in January of a Project Manager and a Change Manager. From mid February 2004 an intensive period of user group meetings has been implemented, to identify the way services are to be provided, the key principles that underpin the model of practice and to work with the health planners to identify how this will be achieved and facility design requirements.

### **Fast-Tracking the Project**

Since the Minister approved the business case in December 2003, the DHB has committed significant resources to advancing the project with all speed. The work underway now includes in-depth analysis and re-examination of all assumptions used in the business case, and the additional investigations that a project of this size requires, prior to submitting the 'developed design' for Ministerial approval.

As part of this further analysis, the DHB has looked into options for completing the project earlier than was proposed in the business case. It is in both the DHB's and Government's interests for the project to be completed as early as possible, provided safety and effectiveness are not compromised. Earlier completion enables earlier realisation of efficiencies and for the DHB to achieve breakeven sooner.

Resulting from this work, the DHB has identified an opportunity to fast-track the project so that it is completed one year earlier than was proposed in the business case. The DHB Board considers completion by June 2006 to be

achievable and realistic, and that the benefits of setting and earlier completion target outweigh the risks inherent in driving the project faster. Further work is being undertaken to explore an option of bringing the completion of the redevelopment forward to December 2005. This is being worked through with the Ministry of Health, Treasury and the CFA.

### **Next Steps**

The Minister of Health requires the DHB to agree project assurance reporting requirements with the Ministry of Health and the Crown Financing Agency, and to submit the 'developed design' for Ministerial approval, prior to capital works commencing. 'Developed design' has a wide definition, as specified in the Construction Liaison Group Design Documentation Guidelines.

The DHB is working to meet these requirements in mid August 2004, so that construction may commence in November. The financial projections used in this DAP assume that all of the 'Developed Design' requirements, and project assurance reporting requirements are met fully by the DHB, and approved by the Minister by mid August 2004.

### **The Year Ahead**

Progressing site re-development is the DHB's main goal for 2004/05.

Assuming Ministerial approval for the Developed Design is gained in mid 2004, construction will commence in November 2004 and continue into 2005/06.

During this time work commenced in 2004 will continue to redesign the way services are delivered and to build a new culture and philosophy. This reconstruction of service culture will run in parallel with the physical reconstruction of buildings.

Success will be measured by ownership and commitment to change and sustained and measurable improvement in service delivery.

There will be health workforce developments such as:

- Increased emphasis on multi-disciplinary teamwork, with enhanced roles for non-medical staff
- Larger primary care teams – involving wider range of disciplines
- Greater use of shared staffing and secondment arrangements between Maori and mainstream providers
- Increased opportunities for medical and other clinical personnel to practice across hospital and community settings
- Increased opportunities for GPs to develop expertise and roles in "specialist" areas – career pathways for GPs
- Continuing and expanding GP services in the hospital – GP 'inreach'
- Increasing provision of 'outreach' specialist services in community settings
- Increased roles for community health workers and health care assistants in rehabilitation and social care
- Development of generalist skills in comprehensive assessment and diagnosis for all clinical staff, so that people are seen and treated holistically (Move away from single diagnosis and treatment episode focus).

There will be continued emphasis on Communication and Information Systems such as:

Telemedicine – for diagnosis, treatment advice, and professional education

- Electronic patient records shared across providers
- Decision support software
- Population health monitoring
- Effective recall systems
- Digital imaging technologies.

We will ensure best practice and quality by:

- Clinical governance
- Integrated CQI programmes across service continuums
- Culture of research and evidence.

There will be continued dialogue and consultation with all key stakeholders as we work through the service and facility redesign processes. Core partnerships required for effective delivery of Hospital services have already been established with:

Maori – Maori partnership and participation must be demonstrated at all points of service access, in all levels of management, and in service delivery. Partnerships with Maori are critical to achieving reductions in disparities.

PHO/Primary care – There are major gains to be realised through PHO involvement in delivery of secondary services (through joint staffing); in planning, communicating and delivering the full continuum of care for the individual; and in planning and delivering co-ordinated programmes of care for specific groups of people.

Other DHBs – Masterton hospital operates within regional and national networks of hospitals. Effective partnerships with other DHBs/hospitals are required to ensure visiting specialist services to Masterton and integrated care for Wairarapa residents who need to access services at hospitals other DHBs.

Our Communities – Ongoing community involvement and engagement is essential in improving health outcomes, service design and development.

Educational organisations – Workforce training and development are critical to the viability, effectiveness and quality of health services. Local solutions to workforce issues should be developed in partnership with local tertiary training institutes, and other relevant organisations such as the Clinical Training Agency, and health professional bodies.

### **Service Changes Associated with Site Re-development**

Provision of a full hospital service with an enhanced range of visiting specialists will meet the DHBs aging community's increasing need and expressed wishes for locally accessible services and for integrated continuums of care that span the primary-secondary interface.

New or enhanced services to be provided locally, through partnerships with other secondary and primary care providers, include:

- ENT/ORL
- Chronic disease management (diabetes, respiratory, cardio-vascular)
- Ophthalmology
- Dermatology
- Rheumatology
- Geriatrics
- Plastics
- Maori patient support services.

A satellite dialysis unit is a further service enhancement that may be looked at in the future depending on demand.

For the Wairarapa, strong co-operative regional and sub-regional relationships are essential to ensure that full service coverage is maintained for Wairarapa residents through access to the services provided and/or funded by other district health boards, and to provide and promote specialist back-up and peer review for services delivered in the Wairarapa.

## 2.6 Service Changes Expected in 2004 / 2005

During 2004/05 Wairarapa DHB expects to make service changes in relation to:

- Elective surgical services - Where a service is provided
- Mental health services - The type of service provided
- Mental health services – change in provider(s)
- School Dental Services – changing where service is provided.

For elective surgical services, the change proposed is to contract with neighbouring DHBs for the delivery of services to Wairarapa residents that are currently provided by them in their hospitals, to instead be delivered by their staff at Masterton Hospital. The proposed changes have been signalled to the relevant DHBs early in 2004 as being the DHB's strategic intent. The volumes involved are relatively small and Central region DHBs have agreed that the resulting funding changes are best addressed through six monthly wash-ups.

A new strategic plan for mental health services, to be completed by June this year,<sup>19</sup> highlights the need for a change in delivery of acute treatment services. The continued operation of a six bed inpatient acute unit is not viable, the DHB will instead provide an extended hours day-patient programme. Wairarapa DHB has always utilised mental health inpatient services at Capital and Coast for its mental health patients with very high levels of acuity and will continue to do so. For those whose acuity is not so high, an extended hours clinical day programme, with supported overnight accommodation for patients, as may be required on a case by case basis, is considered a more effective and appropriate option.

During 2004/05 the DHB will exit current contracts for community residential mental health services and re-contract for a new range and configuration of services, following an RFP process.

The first step towards achieving the reconfiguration the Mental Health Services Strategic Plan requires will be to establish a working party to develop implementation plans. The working group will commence early in the year. Emphasis will be given to working with providers to facilitate smooth change within realistic timelines.

Facilities for School Dental Services are affected by the closure of several schools in Wairarapa. During 2004 a review of school dental service facilities will be undertaken. Options being considered for the future include the establishment of a dental clinic at Masterton Hospital and a mobile service.

### Service Coverage and National Consistency

The Ministry of Health's Service Coverage Schedule specifies the minimum access, scope and eligibility to publicly funded services that the population can expect. Wairarapa DHB is committed to meeting the national service coverage requirement and does not know of any exceptions to this for residents of Wairarapa. However, not all services are available locally within Wairarapa and some travel to publicly funded services in other districts is required.

### Services Provided by Other District Health Boards

Services provided regionally and nationally on behalf of the Wairarapa's population include:

- Regional Cancer Centre (MidCentral District Health Board in the main)
- Tertiary services for treatment of cardiovascular diseases (Capital and Coast Services in the main)
- Renal dialysis services (Capital and Coast District Health Board)
- Specialist mental health and forensic services (Capital and Coast District Health Board)
- Specialist child and neonatal services (Capital and Coast District Health Board and Auckland District Health Board)
- Termination of Pregnancy Services in second trimester (Capital and Coast District Health Board)
- Residential Psychogeriatric Services (provided by various districts)

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<sup>19</sup> See spendix - Wairarapa District Health Board Mental Health Consultation Document

- Dental services requiring general anaesthetic (Capital and Coast DHB).

The DHB also has an MOU with Hutt Valley DHB that promotes sharing of staff and resources between the two DHB's.

The Wairarapa DHB recognises the need for national consistency across services and wherever possible, uses the National Service Framework when funding services, including use of national service specifications, purchase units and standard contract forms. The DHB at all times observes the mandatory requirement that all services it funds must comply with the Provider Quality Specifications set out in the National Service Framework.

### **3. DEVELOPING OUR PLANNING AND FUNDING RESOURCES**

#### **3.1 Update of Health Needs Assessment Report**

The DHB's first health needs assessment report was completed and published in December 2001. Work is underway now to update this and provide a revised version by November 2004. Data from national collections, including the Census and NMDS will be updated to include the latest available figures. A programme of provider and community consultation will be undertaken to gather stakeholder views on health and disability needs and priorities. It is envisaged that this will comprise two stages: a call for comments and discussion in relation to the previous report – what needs to change, what has been omitted and should be included, advice on other sources of information; and dissemination and discussion of the draft revised report so as to ensure it accurately reflects community views.

#### **3.2 Review of District Strategic Plan (DSP)**

Following revision and updating of the Health Needs Assessment Report, the District Strategic Plan will be reviewed. This will follow after the local body elections in October 2004, so that new Boards are able to lead the process. Some preparatory work may commence early in 2005 in conjunction with briefing seminars for the new Board, but most of the work, including preparation of a first draft, will be done in the period April to June 2005, after completion of the DAP for 2005/06. The draft DSP will then be consulted on publicly in the early part of 2005/06, submitted to the Ministry by 30 September 2005, and finalised prior to 31 December 2005.

#### **3.3 Population Based Funding**

The DHB planning and funding team has a good understanding of PBF and the determinants of its allocation. We will continue to keep abreast of Ministry of Health reviews and refinements to the formula and the data on which the allocations are based. We will continue to ensure that we share our understanding of the likely future funding path for Wairarapa with our contracted providers. We understand that the Ministry of Health is committed to a review of the allocation methodology used for the rural/diseconomy adjuster early in 2004/05. We look forward to participating in this review.

#### **3.4 Planning and Funding Capability and Capacity**

As a small DHB, Wairarapa has a small planning and funding team but needs to cover the same range of responsibilities, accountabilities, and reporting as much larger DHBs. We cope with this through jointly working with planning and funding staff in neighbouring DHBs as far as practicable.

#### **3.5 Regional Developments**

There are a growing number of region-wide service planning projects and collaborations. These cover provider arm collaborations as well as planning and funding issues. Regional work is now progressing forward from its previous focus on communication and sharing of approaches towards full regional planning for developments in key areas. This is most evident in the following areas:

- Mental health – Regional Mental Health Network
- Surgical services – ENT, Urology, and others to be addressed in 2004/05
- Referred services management – one regional database established for monitoring and benchmarking
- Laboratory services strategy

During 2003/04 Wairarapa DHB provider arm has established closer working relationships with Hutt Valley and MidCentral DHBs.

### **3.6 Public Health Partnerships**

In 2003 the three Wellington region DHBs – Wairarapa, Hutt Valley and Capital and Coast, worked with the Ministry of Health to develop a regional strategic plan for public health services. This plan is now used to guide the Ministry's funding of public health services delivered by Regional Public Health. Wairarapa DHB also uses the plan to inform its other work, particularly that relating to:

- Discussion of health promotion proposals, and development of population approaches with Wairarapa Community PHO
- Work with Wairarapa communities, local councils and other organisations to promote healthy environments and life-styles (including such initiatives as Violence Free Wairarapa, Healthy Homes, Stay on Your Feet, Health Promoting Schools).

In addition the DHB supports and co-ordinates activities to promote increasing uptake of national and regional screening programmes for breast and cervical cancer. BreastScreen Aotearoa has recently provided the Wairarapa Community PHO with funding to support primary practices to encourage women to enrol and participate in the programme. The DHB is also liaising with the PHO and Regional Public Health Services to improve Wairarapa women's participation in cervical screening

### **3.7 Developing our Planning Policies and Processes**

During 2003/04 there have been further developments in the DHB's policies and procedures. A Funding Management Committee has been established, and more formal processes put in place for all funding decisions.

The DHB's Prioritisation policy and process has been reviewed. The DHB decided to adopt some features of the process used by Hutt DHB but to make no change to the policy, pending conclusion of the Ministry's work on this topic.

Other policies and processes have been established in relation to:

- Our new DSS responsibilities
- RFPs
- Provider selection
- Provider monitoring

During 2003/04 the DHB's Treaty of Waitangi policy has been developed and is to be included in all of the DHB's contracts with providers

### **Service Monitoring and Evaluation**

The Wairarapa DHB has a number of processes in place to monitor service performance including systems and policies to provide:

- Pre-agreement audits
- Routine monitoring of service performance
- Monitoring of accreditation and certification status
- Routine audit
- Follow-up of audit recommendations

In addition, all providers of residential services of 5 or more beds are required to be certified by the Ministry of Health under the Health and Disability Services (Safety) Act 2001, as of 1 October 2004. The District Health Board will monitor provider progress in certification and will address any issues or action plans that arise from this.

Further developments planned for 2004/05:

- Accessibility audits
- Review of providers' Maori Health plans

- Increasing focus on outcome measures.

### **3.8 Increasing our Capability with Respect to Management of Inter District Flows**

Wairarapa DHB is committed to ensuring its population has access to the services it requires, consistent with the Service Coverage Document, and that, where the services are provided by another DHB, referrals and funding are managed in a fair, cost effective and transparent manner.

Management of IDFs is governed by rules set out in the Operating Policy Framework. DHB planning and funding staff will continue to work with the Ministry, and other DHBs, to improve IDF data quality and reporting mechanisms.

The Planning and Funding team is responsible for management of IDF agreements and funding, and aims to ensure this is carried out so as to enable effective clinical referral practice. During 2003/04 much work has been done with other central region DHBs to improve data accuracy and our understanding of the flows. For 2004/05 central region DHBs have agreed to use the default wash-up position set out in the Operating Policy Framework.

#### 4. MEASURING SUCCESS

The indicators of DHB Performance (IDPs) focus on measuring non-financial DHB performance in the Governments priority areas. The tables the tables that follow summarising the reporting requirements set in the IDPs under each area heading. The report information also appears in section 3.5, where the objectives and milestones are identified for each area.

Aligned Strategic Objective	Indicators of DHB Performance	Target																
<b>Strategic development</b> - Improving Child Family and Youth Health	POP 05 Oral Health – percentage of children caries free at age 5 years	<p>Annually in August to report on oral health status. The report will include how the School Dental Service and Well Child providers will have implemented health education programmes to influence the oral health of children.</p> <p>Data will be provided on the % of children in the Wairarapa, aged 5, who are caries free according to: Ethnicity and</p> <p>a) Fluoridated Areas</p> <table border="1" style="margin-left: 40px;"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>50</td> <td>30</td> <td>30</td> <td>70</td> </tr> </table> <p>b) Non-fluoridated areas</p> <table border="1" style="margin-left: 40px;"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>50</td> <td>30</td> <td>50</td> <td>50</td> </tr> </table>	Overall	Maori	Pacific	Other	50	30	30	70	Overall	Maori	Pacific	Other	50	30	50	50
Overall	Maori	Pacific	Other															
50	30	30	70															
Overall	Maori	Pacific	Other															
50	30	50	50															
	POP 06 Oral Health – Mean DMFT score at year 8	<p>Annually in August to report progress in achieving positive outcomes in regard to Decayed, Missing (due to caries) and Filled Teeth with special attention to geographic areas of deprivation and fluoridation status.</p> <p>Data will be provided on the % of Year 8 children with decayed, missing (due to caries) or filled teeth according to:</p> <ul style="list-style-type: none"> <li>• Ethnicity</li> </ul> <table border="1" style="margin-left: 40px;"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>1.75</td> <td>2.15</td> <td>1.75</td> <td>1.15</td> </tr> </table> <p>and,</p> <ul style="list-style-type: none"> <li>• Fluoridation status of the school area</li> <li>• Mean components of the DMF index</li> </ul>	Overall	Maori	Pacific	Other	1.75	2.15	1.75	1.15								
Overall	Maori	Pacific	Other															
1.75	2.15	1.75	1.15															
	POP 07 Reducing violence	Complete Ministry Family Violence Programmes questionnaire six monthly in December and June quarters																
	POP 09 Low birth-weight Babies – rate per 1000 births	<p>Six monthly at the end of December and June, report on:</p> <ul style="list-style-type: none"> <li>• Number of babies born weighing less than 2500gm during the reporting period as a percentage of total babies born in the hospital</li> </ul> <table border="1" style="margin-left: 40px;"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>6.5</td> <td>11</td> <td>3</td> <td>5</td> </tr> </table>	Overall	Maori	Pacific	Other	6.5	11	3	5								
Overall	Maori	Pacific	Other															
6.5	11	3	5															
	POP 10 Progress in implementing the Baby Friendly Hospital Initiative in maternity facilities	<p>Six monthly at the end of December and June, report on:</p> <ul style="list-style-type: none"> <li>• Progress of Maternity unit in becoming accredited including expected timeline to becoming accredited</li> <li>• Commentary on progress of any issues in any audit reports and action plans to overcoming these</li> <li>• Quantitative analysis including the proportion for each major ethnic group, of ‘hospital born’ babies delivered in a BFHI accredited unit.</li> </ul>																

	POP 11 Youth health – teen births	<p>Six monthly at the end of December and June, report on progress towards achieving targets for the improvement of the sexual health and education of the teenage population, with a particular focus on Maori and Pacific Island.</p> <p>Quantitative indicators will be included for the following targets:</p> <p>Teen pregnancy</p> <table border="1"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>3%</td> <td>5</td> <td>0</td> <td>1.5</td> </tr> </table> <p>Teen Abortions</p> <table border="1"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>1.6</td> <td>3.6</td> <td>0</td> <td>1</td> </tr> </table>	Overall	Maori	Pacific	Other	3%	5	0	1.5	Overall	Maori	Pacific	Other	1.6	3.6	0	1								
Overall	Maori	Pacific	Other																							
3%	5	0	1.5																							
Overall	Maori	Pacific	Other																							
1.6	3.6	0	1																							
	POP 12 Progress towards the national target of 95% of two year olds fully immunised	<p>Report quarterly at the end of September, December, March, and June, until National Immunisation Register on progress towards implementation and describing:</p> <ul style="list-style-type: none"> <li>• Implementation progress and time lines</li> <li>• Issues or risks, including staffing</li> <li>• Budgets &amp; risks</li> <li>• Once implemented, reports six monthly on percentage of two year olds fully immunized in the DHB</li> </ul>																								
	POP 13 Ambulatory sensitive admissions of children and youth - discharge rate per 1000 population	<p>Targets:</p> <table border="1"> <tr> <th>Age</th> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>Under 5</td> <td>100</td> <td>100</td> <td>120</td> <td>65</td> </tr> <tr> <td>5-14</td> <td>20</td> <td>21</td> <td>nil</td> <td>15</td> </tr> <tr> <td>15-24</td> <td>14</td> <td>20</td> <td>nil</td> <td>13</td> </tr> </table>	Age	Overall	Maori	Pacific	Other	Under 5	100	100	120	65	5-14	20	21	nil	15	15-24	14	20	nil	13				
Age	Overall	Maori	Pacific	Other																						
Under 5	100	100	120	65																						
5-14	20	21	nil	15																						
15-24	14	20	nil	13																						
<b>Strategic development</b> Improving Mental Health	POP – 08 Improving the health status of people with severe mental illness	<p>Provide a report quarterly on progress towards targets set for access to treatment and support services for people of different age groups and ethnic groups with severe mental illness. Reporting will include information indicating the progress towards providing more accessible and appropriate services for Maori.</p> <p>Numerical data will be provided on the average number of people living in the Wairarapa, seen each month for the quarter being reported for:</p> <table border="1"> <tr> <td></td> <td colspan="3">2004/05</td> </tr> <tr> <td></td> <td colspan="3">Target</td> </tr> <tr> <td></td> <td>Maori</td> <td>Other</td> <td>Total</td> </tr> <tr> <td>Child &amp; Youth</td> <td>0.7</td> <td>0.7</td> <td>0.7</td> </tr> <tr> <td>Adult</td> <td>1.58</td> <td>1.01</td> <td>1.2</td> </tr> <tr> <td>Older people</td> <td>0.3</td> <td>0.3</td> <td>0.3</td> </tr> </table>		2004/05				Target				Maori	Other	Total	Child & Youth	0.7	0.7	0.7	Adult	1.58	1.01	1.2	Older people	0.3	0.3	0.3
	2004/05																									
	Target																									
	Maori	Other	Total																							
Child & Youth	0.7	0.7	0.7																							
Adult	1.58	1.01	1.2																							
Older people	0.3	0.3	0.3																							
<b>Strategic development</b> Reducing the incidence and impact of diabetes	POP 02 Diabetes Detection and follow up rate	<p>Targets will be determined in relation to 2003 data for:</p> <table border="1"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>66%</td> <td>48%</td> <td>64%</td> <td>70%</td> </tr> </table> <p>Report annually in quarter 3.</p>	Overall	Maori	Pacific	Other	66%	48%	64%	70%																
Overall	Maori	Pacific	Other																							
66%	48%	64%	70%																							
	POP 03 Diabetes management	<p>Targets will be determined in relation to 2003 data for:</p> <table border="1"> <tr> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> <tr> <td>26%</td> <td>30%</td> <td>25%</td> <td>25%</td> </tr> </table> <p>Report annually in quarter 3</p>	Overall	Maori	Pacific	Other	26%	30%	25%	25%																
Overall	Maori	Pacific	Other																							
26%	30%	25%	25%																							
	POP 04	Target:																								

	Diabetes retinal screening of people with diabetes in the last 2 years	90% of people receiving annual diabetes retinal checks.  The Wairarapa Local Diabetes Team will include the full aggregated data provided by the WRDT in the annual report and a copy is sent to the DHB and the Ministry of Health by 1 February 2005										
<b>Strategic development</b> Reduce the incidence and impact of respiratory disease	WDHB Strategic Plan, no indicator applies	10% Increased uptake of influenza vaccination by June 2005.  100 People of low socio-economic status with respiratory disease will have participated in the "Healthy Homes" project by February 2005.  The COPD pathway will be depicted by a flowchart for use by all relevant health professionals by June 2005										
	POP 01 Cardiovascular Disease (relates also to Diabetes)	<ul style="list-style-type: none"> <li>Primary Prevention – A system will be established to capture and report data needed for this measure. Future comparative data will then be able to identify that increasing proportions of people in each ethnic group in the identified age groups have had their five-year absolute CVD risk recorded in the last five years.</li> <li>Acute Coronary Syndromes – Risk adjusted mortality. A DHB region and ethnic rate within a 90% confidence level of the total New Zealand ethnicity rate.</li> <li>The DHB confirms the presence of a geographically identified area for stroke patients.</li> <li>80% of stroke patients in each ethnic group are admitted to a stroke unit/area identified for stroke patients.</li> </ul> <p>All the above measures to be reported in the fourth quarter.</p>										
Older Peoples Health	POP 13 Ambulatory sensitive admissions of older people – discharge rate per 1000 population	<p>Targets:</p> <table border="1"> <thead> <tr> <th>Age</th> <th>Overall</th> <th>Maori</th> <th>Pacific</th> <th>Other</th> </tr> </thead> <tbody> <tr> <td>65-74</td> <td>70</td> <td>110</td> <td>nil</td> <td>60</td> </tr> </tbody> </table> <p>Ambulatory sensitive hospital admissions for people aged 65 to 74 is less than 7% of the population for that age group (measured as &lt;70 per 1,000 population)</p>	Age	Overall	Maori	Pacific	Other	65-74	70	110	nil	60
Age	Overall	Maori	Pacific	Other								
65-74	70	110	nil	60								
	POP 14 Residential care/home care	Residential Care/Home Care ratio of costs (Target to be agreed within 3 months of data becoming available)										
Primary Care	SER 01 Primary Health Care	Reports six monthly, at 31 December and 30 June, on progress being made in development and implementation of Partnership Models for: After Hours/ED, diabetes and respiratory services, public health services, disability support services, mental health services and older people										
	SER 02 Participation by Maori in decision making in Primary Health	Reports six monthly, at 31 December and 30 June, on participation by Maori in decision making in primary health.										
	RIS 01 Responding to and resolving service coverage issues	Report on progress during the quarter towards resolution of gaps in service coverage identified										
Quality and Systems	QUA-01 Quality systems	<ul style="list-style-type: none"> <li>Provide an annual report confirming the new and renewed</li> </ul>										

		<p>service agreement with regard to quality specifications. Any exceptions will be included in the report.</p> <ul style="list-style-type: none"> <li>• Confirm six monthly reporting systems are in place to report and manage adverse events in line with guidelines and legislation.</li> <li>• Provide a report six monthly on audit activity of the provider arm and contracted providers either routine or issue based. The report will include actions taken, with specific regard to personal health and mental health.</li> <li>• A report will be submitted six monthly re quality initiatives and clinical audit activity. The report will demonstrate progress against the IQ Action Plan.</li> <li>• Six monthly, there will be confirmation that the provider arm has submitted data to the Ministry of Health for: <ul style="list-style-type: none"> <li>• Balance scorecard reporting, specifically blood stream and patient satisfaction.</li> <li>• For the Mental Health Information National Collection</li> </ul> </li> </ul>
	INV-01 Information management initiatives / capability	<p>Provide a report six monthly report of progress towards following indicators selected from WAVE:</p> <ul style="list-style-type: none"> <li>• Improving access to clinical knowledge bases (such as Cochrane and Medline) and clinical guidelines or protocols such as clinical decision support systems for cardiovascular, diabetes and referral guidelines.</li> <li>• Towards implementation of electronic referral letter and hospital discharge summary notification functionality between hospital and General Practitioner.</li> <li>• Towards increasing the number of General Practitioners using electronic pharmaceutical prescribing.</li> <li>• Towards increasing the number of General Practitioners using electronic laboratory test ordering and receiving electronic laboratory results</li> </ul>
	INV-02 Nursing Practice and development	<p>Report in the first quarter on the following qualitative measures:</p> <ul style="list-style-type: none"> <li>• Role of DON in operational decision making</li> <li>• Strategies for the recruitment and retention of staff</li> <li>• Plans to include the nurse practitioner role</li> <li>• Progress towards development of coding mechanisms</li> <li>• Support for Maori nurses clinically and culturally</li> <li>• Development of Primary Health care nursing</li> <li>• Involvement of the DON with the PHO</li> </ul> <p>Updates will be provided each quarter where changes have occurred.</p>
	SER 03 Continuous quality improvement – elective services	<p>Will report six monthly in the second and fourth quarters on progress towards quality improvement and equity of access to elective services</p>
	SER 04 Radiation oncology treatment waiting times	<p>Will report quarterly, and in conjunction with DHBs delivering service, on effectiveness and quality of services delivered for patients and details of ethnicity of patients receiving treatment</p>

<p><b>Maori Health</b> To reduce health disparities by improving health outcomes for Maori and other population groups.</p>	<p>HKO – 01 Local Iwi/Maori are engaged and participate in DHB decision making and the development of strategies and plans for Maori health gain</p>	<p>Report at 30 June 2005 on how local Iwi/Maori are engaged and participate in DHB decision-making and the development of strategies and plans for Maori health gain. Report to include:</p> <ul style="list-style-type: none"> <li>• Summary of meetings held with Mana Whenua</li> <li>• Summary of Maori Health Committee meetings</li> <li>• How Maori have been enabled to have input to the development, in 2004/05, of the DHB's:</li> <li>• Service and facility design in the new hospital building</li> <li>• Health Needs Assessment</li> <li>• District Strategic Plan</li> <li>• District Annual Plan</li> <li>• Maori Health Plan</li> <li>• Progress in implementing the DHB's Maori Health Plan</li> </ul>
	<p>HKO-02 Development of Maori Health workforce and Maori health providers</p>	<p>Report at 30 June 2005 on the DHB's progress in:</p> <ul style="list-style-type: none"> <li>• Developing the capability and capacity of its Maori workforce, at all levels within the organisation – clinical, managerial, administrative</li> <li>• Implementing plans to promote the capability and capacity of the Maori workforce in the DHB's funded mainstream providers</li> <li>• Implementing plans to develop Maori providers, and the outcomes achieved</li> <li>• Report at 30 June 2005 on the numbers and proportions of DHB employees, in each employment category, who are Maori.</li> </ul>
	<p>HKO-03 Improving Mainstream effectiveness</p>	<p>Report at 30 June 2005 describing the reviews of the two pathways of care and the actions taken to address issues identified in the reviews</p>
<p><b>Pacific Health</b></p>	<p>PAC-01 Progress towards the implementation of priority areas identified in the Pacific health and disability Action Plan</p> <p>PAC – 02 Pacific people are engaged and participate in DHB decision making and the development of strategies and plans for Pacific Health gain</p>	<p>The DHB will report six monthly on the progress it has made against the objectives and milestones described above, and the extent to which this meets the Ministry's performance measures:</p> <ul style="list-style-type: none"> <li>• PAC-01 Progress towards the implementation of priority areas identified in the Pacific health and disability Action Plan</li> <li>• PAC – 02 Pacific people are engaged and participate in DHB decision making and the development of strategies and plans for Pacific Health gain</li> </ul>
<p><b>Reducing Inequalities</b></p>	<p>RIH-01 Progress towards raising awareness of inequalities and refocusing planning and funding activities to address health inequalities</p>	<p>Provide a report on progress towards raising awareness of inequalities and refocusing planning and funding activities to address inequalities in health at 30 June 2005, including narrative comment on progress made towards each objective listed above, and quantitative data in relation to: Healthy Homes, Numbers of Maori employed, SIA achievement, health status information</p>
	<p>RIS 02 DHBs will set targets to increase funding for Maori Health and disability initiatives</p>	<p>Annual report on:</p> <ul style="list-style-type: none"> <li>• Actual expenditure on Maori health Providers</li> <li>• Actual expenditure for mainstream components targeted to improving Maori health</li> <li>• Comparison between the targets set to inc</li> </ul>

## 5. MANAGING FINANCIAL RESOURCES

### 5.1 Managing Within Budget

This Plan shows an overall deficit of \$1.0 million. This is made up of a breakeven position within both the Funder arm and the Governance & Funding Administration Services and a deficit within the Provider arm.

The forecast financial information has been prepared on the basis of information received from the MOH. It incorporates assumptions the Board reasonably expects to occur, as at the date the financial information was prepared. A summary output class consolidated statement of financial performance<sup>20</sup> is as follows:

<b>Wairarapa District Health Board</b>				
<b>Forecast Statement of Financial Performance</b>				
For the year ended 30 June				
	2003/04	2004/05	2005/06	2006/07
	\$000's	\$000's	\$000's	\$000's
<b>Revenue</b>				
Revenue	73,953	77,452	79,978	83,294
Interest Revenue	48	50	50	50
<b>Total Revenue</b>	<b>74,001</b>	<b>77,502</b>	<b>80,028</b>	<b>83,344</b>
<b>Expenditure</b>				
Provider Expenditure	(35,550)	(36,386)	(37,114)	(37,856)
Operating Expenditure	(37,326)	(38,876)	(40,256)	(39,411)
Depreciation	(1,423)	(1,322)	(1,136)	(2,618)
Interest	(443)	(789)	(1,472)	(1,706)
Capital Charge	(1,011)	(1,171)	(1,400)	(1,553)
<b>Total Expenditure</b>	<b>(75,753)</b>	<b>(78,544)</b>	<b>(81,377)</b>	<b>(83,144)</b>
<b>Net Surplus/(Deficit)</b>	<b>(1,752)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>
Gain/(Loss) on Sale of Assets	130	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(1,622)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>

The result shows a 3-year pathway to breakeven that represents a significant improvement over the past few years and represents a commitment from Government to increase our funding and the Board to improve the health of our population.

The financial forecasts do not include any provisions for additional expenditures that may be incurred on new DSS services committed to at the date of devolution, but for which no funding has been provided. The DHB will use its best endeavours to manage all expenditures within assured available funding. The DHB anticipates that additional funding will be made available through the DSS risk pool and other mechanisms to cover the costs of the new service developments that were agreed previously with the Ministry. The total cost of these additional services, when fully operational, is expected to be \$753k per annum. Should this amount of additional funding not be forthcoming then there is a risk that, despite its best endeavours, the DHB will need to consider limited access to services to existing levels.

The following table summarises the improvement in the forecast financial result by comparing the forecast net surplus/(deficit) within this Plan to that shown in the previous years DAP and the financial figures presented within the business case for the MHR project.

<sup>20</sup> Wairarapa DHB owns 100% of Biomedical Services Ltd. The consolidated financial performance does not include the consolidation of this subsidiary into the results.

Net Surplus/(Deficit) Comparison					
For the year ended 30 June					
	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's	2007/08 \$000's
District Annual Plan for 2004/05	(1,622)	(1,042)	(1,349)	200	Not Forecasted
District Annual Plan for 2003/04	(1,703)	(2,089)	(2,051)	Not Forecasted	Not Forecasted
Business Case for Site Redevelopment	(1,703)	(1,010)	(1,130)	(1,700)	80

This comparison shows the significant effect the MHR project, and in particular the 'fast track' approach being taken to the project has on the net surplus/(deficit). The previous years DAP was not able to show a pathway to break even however the forecasts within this Plan clearly show a break even position is achieved in year 3.

The rationale for fast tracking the Masterton Hospital Redevelopment project is to achieve a breakeven position one year earlier than provided for in the business case. This changes the original assumptions within the business case and brings the completion of the project forward.

The fast tracking of the Masterton Hospital Redevelopment project has an adverse impact on the financial results for the 2004/05 and 2005/06 year compared to the results achievable should fast track not proceed. This impact occurs because of the early draw down of the debt and equity required for the project and hence its associated servicing costs (interest and capital charge) are higher than previously planned or indicated to the MOH. The impact of the additional expenditure for interest and capital charge is shown in the following table:

	2004/05	2005/06
Interest	\$103k	\$271k
Capital Charge	\$96k	\$57k

The small surplus result forecast for the 2006/07 year represents efficiencies that to be achieved as the new models of care and service delivery modes, associated with the Masterton Hospital Redevelopment project, are implemented commencing in the 2004/05 year and continuing through the following two years.

Notwithstanding the forecast breakeven position in the third year of this Plan, WDHB faces significant financial challenges over the three-year planning period. Tight controls and a strong focus on financial management will be required to achieve the financial results in all three years shown above. The key risks associated with the financial performance are noted in the risk section of this Plan.

Key financial risks associated with the financial forecasts include:

- The timing of the redevelopment. The Board believes the proposed timeline is feasible based on the information at the time of writing this plan. Should delays in the project occur then the efficiencies associated with the project would occur later than forecast within this Plan.
- DSS expenditure exceeds the revenue devolved and there is insufficient cover within the risk pool. As noted above, the DHB has anticipates that additional funding will be made available through the DSS risk pool to cover the associated expenditure.

- Unavoidable wage and salary movements or other substantial cost escalation occurs above the levels assumed.
- The future impact of prices for inter district flows is unknown. However the assumption within the forecast financial statements is that pricing will be constant over the 3 years.

## 5.2 Planning and Budgeting Process

Wairarapa DHB's financial strategy places a very high focus on accurate budgeting and achieving the planned results. This is supported within the DHB through:

- Clear responsibilities and accountabilities;
- Timely reporting of financial and activity performance data;
- Detailed variance analysis; and
- Data systems that are being continually improved and refined.

Planning for the 2005/06 and 2006/07 years is uncertain. This is because the allocation of funding will not be confirmed for these two years until December 2004 and December 2005 respectively. In preparing the forecasts for the two years reliance is placed on indicative advice received from the MOH in December 2003.

## 5.3 Efficiency Gains

Over the last 8 years the Provider arm (within the DHB and its effective predecessor Wairarapa Health Limited) has achieved over \$4 million in efficiencies and savings. The scope for further efficiencies and savings is severely limited under the current models of care/service delivery modes and within the current facilities.

With the decision to fast track the project, the full effect of the efficiencies is now planned over the three year period covered by this Plan. This compares with the four year timeframe assumed within the Masterton Hospital Redevelopment business case. The following table summarises the overall efficiencies and cost savings that have been built into the forecast financial statements for each of the three years within the planning period.

<u>Efficiencies</u>	2004/05	2005/06	2006/07
	\$000	\$000	\$000
<b>Efficiencies from Workforce and Service Initiatives:</b>			
Staffing changes	229	269	1,766
Net Effect from Textile Outsourcing	90	90	90
<b>Total Savings from Workforces and Service Changes</b>	<b>319</b>	<b>359</b>	<b>1,856</b>
<b>Operational Savings</b>			
Net Revenue from Reconfiguration of Laboratory Services		145	347
Net Revenue from Reconfiguration of Radiology Services		83	198
Net revenue from IDFs and overflow work		88	1,060
Repairs & Maintenance Existing Facility	79	79	79
Heating, Cleaning & Orderlies based on New Building Location and m <sup>2</sup>		23	116
Efficiencies from primary secondary partnership			200
<b>Total Operating Savings</b>	<b>79</b>	<b>418</b>	<b>2,000</b>
<b>Total Recurrent Cost Efficiency Gains</b>	<b>398</b>	<b>777</b>	<b>3,856</b>

Some efficiencies have commenced implementation at the time of writing and will be fully implemented by the end of the 2003/04 financial year. These include:

- Outsourcing of the textiles services
- Review of senior management staffing/positions

## Management of Efficiencies

Responsibility and accountability for delivering on the efficiencies noted above has been assigned to the relevant members of the senior management team. These senior managers will be working over the remaining months of the 2003/04 financial year and into the 2004/05 financial year to create a detailed plan to realise these efficiencies.

### 5.4 Assumptions

The key assumptions are:

- Income inflation will be set as per the funding envelope provided by the MOH.
- No provision has been made for any expenditures, or the associated funding, for new DSS services committed to at the date of devolution.
- Inter District Flow (IDF) revenue and expenditure has been included in these financial statements at a net \$13.3 million. This is based on figures provided by the MOH.
- Inflation on supplies, outsourced services and non-MOH revenue has been set at 2% for each of the three years.
- Inflation on salaries has been set at various rates for specific employment groups.
- Inflation on Funder arm payments has been set at 5% for pharmaceuticals (3% above Pharmac projections reflecting the trends over previous years) and 2% on all other payments.
- Depreciation has been assumed at the rates shown in the latest annual report.
- The capital charge is based on 11% of equity. It is assumed that any increase in the revaluation reserve will be reimbursed. At the time of writing the additional capital charge payable arising from the revaluation of assets (creating the revaluation reserve) had not been funded for the 2003/04 year, however indications from the Treasury and MOH are that funding will occur prior to 30 June 2004.
- Interest on the base term debt of \$6 million is assumed at 7.09% until April 2005 and 7% thereafter. All new debt drawn in conjunction with the Masterton Hospital Redevelopment project is assumed at 7%.
- The current operating leasing arrangements to continue with no change in classification to a finance leasing arrangement.

### 5.5 Sensitivity Analysis

The following table shows the sensitivity selected key items will have on the forecast financial performance for the 2004/05 year.

	Financial Impact (\$000s)
Change of 1% on Personnel costs	\$251
Change of 1% on term debt facility interest rate	\$128
Change of 1% on Pharmaceutical demand driven costs	\$75
Change of 1% on efficiencies gained	\$40

A significant amount of work was completed within the business case financial modelling on a sensitivity analysis where a number of key variables were analysed to ascertain their sensitivity. The results showed that although there was a slight change in the net present value calculation result and cash flows the results were still achievable.

### 5.6 Asset Valuation

DHBs adopted the Crown accounting policies during the 2002/03 year resulting in the requirement to revalue its property assets. WDHB undertook this revaluation on 30 June 2003 resulting in an increase in the valuation of the assets by \$3.4 million.

The business case for the Masterton Hospital Redevelopment was being written at the time the revaluation was being completed. This gave rise to some inherent uncertainties within the revaluation that resulted in a number of building values being based on a short remaining economic life or by an equivalent "loss" in value.

The Board has adopted an accounting policy that requires the property assets to be revalued every three years with the next revaluation due to occur on 30 June 2006. The financial forecasts have assumed there will be no change to the valuation at that time. However it is noted that the scale of the redevelopment and associated facility requirements could give rise to a material change in the valuation when that revaluation occurs.

## **5.7 Business Cases**

As noted elsewhere in this Plan the business case, with a total value of \$27.2 million, has received Ministerial approval. A fundamental premise within this business case is a change to the models of care and service delivery modes. While some business cases for separate components of the Masterton Hospital Redevelopment may be required they will be delivered in accordance with the Masterton Hospital Redevelopment business case.

At the time of writing this Plan no other business cases requiring notice to the Regional Capital Committee, National Capital Committee or the MOH are planned.

## **5.8 Capital Expenditure**

A focus in previous years has been on maintaining a cash balance sufficient to meet operational requirements. This has resulted in minimising capital investment and consequently an unsustainable growth in deferred maintenance.

This process has often meant that plant and equipment can only be replaced when it can no longer be repaired and not when it is technologically obsolete. WDHB is in the process of developing a comprehensive asset management plan (AMP) that will allow greater degree of certainty in planning for asset and infrastructure maintenance and replacement. This AMP, and its associated strategic asset financing plan, will be developed over the next 2-3 years to ensure the facilities and all services, plant and equipment within those facilities are included in the AMP.

The MOH has recently issued the "Capital Investment Guidelines" document. This document specifies the prioritisation process, and the related expenditure limits, for capital investment within the health sector. This process includes the guidelines for referral to the regional capital committee and the national capital committee. Also under the guidelines, a DHB may spend funds on capital up to the level of its depreciation write-off.

WDHB plans its capital investment in a strategic manner ensuring all capital investment is contributing to the Board's strategic goals and objectives. As part of the annual planning and budgeting process WDHB has determined its capital investment priorities as shown in the following table.

	2003/04	2004/05	2005/06	2006/07
	Forecast \$000	Forecast \$000	Forecast \$000	Forecast \$000
Site Development	2,226	15,934	8,793	240
Operating Capital Expenditure				
Land, buildings and plant	106	100	25	60
Clinical equipment	271	650	710	800
Other equipment	68	90	50	50
Information technology & systems	0	0	0	0
Motor vehicles	0	130	135	0
Total operating capital expenditure	445	970	920	910
<b>Total Capital Expenditure</b>	<b>2,671</b>	<b>16,904</b>	<b>9,713</b>	<b>1,150</b>

At the time of writing this Plan there are a number of items of equipment which WDHB has leased by way of an operating lease. The Auditor-General has recently issued a change in his interpretation of the relevant financial reporting standard (Statement of Standard Accounting Practice No. 18) which may change the classification of these leases to finance leases. Financing lease arrangements are not able to be entered without the consent of the Minister of Finance (under the Public Finance Act). As a result there may be a change to the capital expenditure requirements should certain items of equipment now be required to be purchased outright.

## 5.9 Debt and Equity

WDHB has a term loan facility of \$6 million with the Crown Financing Agency. This facility matures in April 2005.

WDHB has received approval for an additional \$27.2 million, for the Masterton Hospital Redevelopment project, over the duration of the planning period covered by this Plan. This \$27.2 million is split into \$17.7 million of term loan, \$5.9 million of equity injection and \$3.6 million free cashflow contribution from WDHB. However, where WDHB is not able to generate the free cash flow required deficit support funding would be made available through additional equity.

The financial forecasts assume that \$1.7 million, by way of deficit support, will be drawn down by 30 June 2004. The remaining balance will be drawn down in various stages and this draw down profile is likely to change from the assumptions used in the preparation of the forecast financial statements. This fluctuation occurs due to the requirement for capital as the MHR project progresses and cash is required to meet the project costs.

At the time of writing the term loan facility covenants for the additional debt draw down for the Masterton Hospital Redevelopment project had not been agreed with the Crown Financing Agency. It has also been agreed with the Crown Financing Agency that the covenant ratios attached to the \$6 million of term debt drawn down will be reviewed in conjunction with the draw down of the \$17.7 million debt associated with the Masterton Hospital Redevelopment project.

The following table shows the two financial ratios commonly used as covenants and the expected result based on the forecast financial statements presented within this Plan.

<b>Wairarapa District Health Board</b>				
<b>Covenant Ratios</b>				
As at 30 June				
	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Debt to Debt + Equity</b> <i>(Long term debt + Short term debt + Bank overdraft) / (Total Equity + (Long term debt + Short term debt + Bank overdraft))</i>	36.8%	52.5%	61.6%	60.1%
<b>Interest Times Coverage</b> <i>(Net Surplus + Interest Expense + Depreciation) / (Interest Expense)</i>	0.55	1.35	0.86	2.65

## 5.10 Financial Statements

The forecast financial statements have been prepared on the basis of assumptions as to future events that the Board reasonably expects to occur, associated with actions the Board reasonably expects to take, as at the date the statements were prepared.

The actual results achieved for the period covered by the forecast financial statements are likely to vary from the information presented, and the variations may be material. The forecast financial statements comply with section 41D of the Public Finance Act 1989, and the information may not be appropriate for any other purpose.

The underlying assumptions were adopted on 18 May 2004. The 2003/04 financial results are forecasts based on actuals up to 31 March 2004.

<b>DHB Fund</b>				
<b>Forecast Statement of Financial Performance</b>				
For the year ended 30 June				
	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Revenue</b>				
Revenue	68,300	72,674	74,127	75,610
<b>Total Revenue</b>	<b>68,300</b>	<b>72,674</b>	<b>74,127</b>	<b>75,610</b>
<b>Expenditure</b>				
Provider Expenditure	(68,492)	(72,674)	(74,127)	(75,610)
<b>Total Expenditure</b>	<b>(68,492)</b>	<b>(72,674)</b>	<b>(74,127)</b>	<b>(75,610)</b>
<b>Net Surplus/(Deficit)</b>	<b>(192)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**DHB Provider**  
**Forecast Statement of Financial Performance**  
For the year ended 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Revenue</b>				
Revenue	37,587	39,393	41,158	43,697
Interest Revenue	48	50	50	50
<b>Total Revenue</b>	<b>37,635</b>	<b>39,443</b>	<b>41,208</b>	<b>43,747</b>
<b>Expenditure</b>				
Operating Expenditure	(36,396)	(37,203)	(38,549)	(37,670)
Depreciation	(1,423)	(1,322)	(1,136)	(2,618)
Interest	(443)	(789)	(1,472)	(1,706)
Capital Charge	(1,011)	(1,171)	(1,400)	(1,553)
Internal Allocations	-	-	-	-
<b>Total Expenditure</b>	<b>(39,273)</b>	<b>(40,485)</b>	<b>(42,557)</b>	<b>(43,547)</b>
<b>Net Surplus/(Deficit)</b>	<b>(1,638)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>
Gain/(Loss) on Sale of Assets	130	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(1,508)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>

**DHB Governance & Administration**  
**Forecast Statement of Financial Performance**  
For the year ended 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Revenue</b>				
Revenue	1,008	1,673	1,706	1,741
Interest Revenue	-	-	-	-
<b>Total Revenue</b>	<b>1,008</b>	<b>1,673</b>	<b>1,706</b>	<b>1,741</b>
<b>Expenditure</b>				
Operating Expenditure	(930)	(1,673)	(1,706)	(1,741)
Depreciation	-	-	-	-
Internal Allocations	-	-	-	-
<b>Total Expenditure</b>	<b>(930)</b>	<b>(1,673)</b>	<b>(1,706)</b>	<b>(1,741)</b>
<b>Net Surplus/(Deficit)</b>	<b>78</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Wairarapa District Health Board**  
**Forecast Statement of Financial Performance**  
For the year ended 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Revenue</b>				
Revenue	73,953	77,452	79,978	83,294
Interest Revenue	48	50	50	50
<b>Total Revenue</b>	<b>74,001</b>	<b>77,502</b>	<b>80,028</b>	<b>83,344</b>
<b>Expenditure</b>				
Provider Expenditure	(35,550)	(36,386)	(37,114)	(37,856)
Operating Expenditure	(37,326)	(38,876)	(40,256)	(39,411)
Depreciation	(1,423)	(1,322)	(1,136)	(2,618)
Interest	(443)	(789)	(1,472)	(1,706)
Capital Charge	(1,011)	(1,171)	(1,400)	(1,553)
<b>Total Expenditure</b>	<b>(75,753)</b>	<b>(78,544)</b>	<b>(81,377)</b>	<b>(83,144)</b>
<b>Net Surplus/(Deficit)</b>	<b>(1,752)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>
Gain/(Loss) on Sale of Assets	130	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(1,622)</b>	<b>(1,042)</b>	<b>(1,349)</b>	<b>200</b>

**Wairarapa District Health Board**  
**Forecast Statement of Movements in Equity**  
For the year ended 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
Opening Equity	9,969	10,050	12,901	15,779
Equity Injection	1,703	3,893	4,227	192
Change in Revaluation Reserve	-	-	-	-
Net Surplus/(Deficit) for the Period	(1,622)	(1,042)	(1,349)	200
<b>Net Surplus/(Deficit)</b>	<b>10,050</b>	<b>12,901</b>	<b>15,779</b>	<b>16,171</b>

**Wairarapa District Health Board**  
**Forecast Statement of Financial Position**  
As at 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Public Equity</b>				
Equity	10,578	14,471	18,698	18,890
Revaluation Reserve	3,445	3,445	3,445	3,445
Retained Earnings	(3,973)	(5,015)	(6,364)	(6,164)
<b>Total Equity</b>	<b>10,050</b>	<b>12,901</b>	<b>15,779</b>	<b>16,171</b>
<i>Represented by:</i>				
<b>Current Assets</b>				
Bank in Funds	-	-	-	-
Receivables	7,866	6,445	6,665	6,941
Other Current Assets	575	575	575	575
<b>Total Current Assets</b>	<b>8,441</b>	<b>7,020</b>	<b>7,240</b>	<b>7,516</b>
<b>Current Liabilities</b>				
Bank Overdraft	148	(7)	(2,050)	(712)
Payables & Provisions	(9,582)	(9,710)	(8,387)	(8,096)
Short Term Borrowings	-	-	-	-
<b>Total Current Liabilities</b>	<b>(9,434)</b>	<b>(9,717)</b>	<b>(10,437)</b>	<b>(8,808)</b>
<b>Net Working Capital</b>	<b>(993)</b>	<b>(2,697)</b>	<b>(3,197)</b>	<b>(1,292)</b>
<b>Non Current Assets</b>				
Property, Plant & Equipment	17,290	29,959	42,151	41,038
Other Investments	103	103	103	103
Trust Funds	230	230	230	230
<b>Total Non Current Assets</b>	<b>17,623</b>	<b>30,292</b>	<b>42,484</b>	<b>41,371</b>
<b>Non Current Liabilities</b>				
Borrowings	(6,000)	(14,114)	(22,928)	(23,328)
Provisions	(350)	(350)	(350)	(350)
Trust Funds	(230)	(230)	(230)	(230)
<b>Total Non Current Liabilities</b>	<b>(6,580)</b>	<b>(14,694)</b>	<b>(23,508)</b>	<b>(23,908)</b>
<b>Net Assets</b>	<b>10,050</b>	<b>12,901</b>	<b>15,779</b>	<b>16,171</b>

**Wairarapa District Health Board**  
**Forecast Statement of Cash Flows**  
For the year ended 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Operating Cash Flows</b>				
Cash Receipts	74,139	78,873	79,758	83,017
Interest Received	48	50	50	50
Payments to Providers	(36,251)	(37,421)	(37,042)	(37,794)
Payments to Employees & Suppliers	(36,941)	(39,017)	(40,180)	(39,434)
Interest Paid	(543)	(801)	(1,472)	(1,706)
Capital Charge Paid	(910)	(1,133)	(1,400)	(1,553)
<b>Net Operating Cash Flows</b>	<b>(458)</b>	<b>551</b>	<b>(286)</b>	<b>2,581</b>
<b>Investing Cash Flows</b>				
Cash Received from Sale of Fixed Assets	255	-	633	-
Cash Paid for Purchase of Fixed Assets	(1,160)	(12,713)	(15,431)	(1,835)
<b>Net Investing Cash Flows</b>	<b>(905)</b>	<b>(12,713)</b>	<b>(14,798)</b>	<b>(1,835)</b>
<b>Financing Cash Flows</b>				
Additional Loans Drawn	-	8,114	8,814	400
Additional Equity	1,703	3,893	4,227	192
Loans Repaid	(32)	-	-	-
<b>Net Financing Cash Flows</b>	<b>1,671</b>	<b>12,007</b>	<b>13,041</b>	<b>592</b>
<b>Net Cash Flows</b>	<b>308</b>	<b>(155)</b>	<b>(2,043)</b>	<b>1,338</b>
Opening Cash Balance	(160)	148	(7)	(2,050)
<b>Closing Cash Balance</b>	<b>148</b>	<b>(7)</b>	<b>(2,050)</b>	<b>(712)</b>
<i>Represented by:</i>				
Bank in Funds	-	-	-	-
Bank Overdraft	148	(7)	(2,050)	(712)
<b>Total Cash on Hand</b>	<b>148</b>	<b>(7)</b>	<b>(2,050)</b>	<b>(712)</b>

**Wairarapa District Health Board**  
**Forecast Statement of Financial Position**  
As at 30 June

	2003/04 \$000's	2004/05 \$000's	2005/06 \$000's	2006/07 \$000's
<b>Public Equity</b>				
Equity	10,575	15,225	18,368	18,368
Revaluation Reserve	3,445	3,445	3,445	3,445
Retained Earnings	(3,973)	(4,971)	(6,320)	(5,905)
<b>Total Equity</b>	<b>10,047</b>	<b>13,699</b>	<b>15,493</b>	<b>15,908</b>
<i>Represented by:</i>				
<b>Current Assets</b>				
Bank in Funds	-	-	-	-
Receivables	7,866	6,433	6,640	6,917
Other Current Assets	575	575	575	575
<b>Total Current Assets</b>	<b>8,441</b>	<b>7,008</b>	<b>7,215</b>	<b>7,492</b>
<b>Current Liabilities</b>				
Bank Overdraft	(721)	531	(432)	1,257
Payables & Provisions	(9,582)	(9,645)	(8,183)	(8,122)
Short Term Borrowings	-	-	-	-
<b>Total Current Liabilities</b>	<b>(10,303)</b>	<b>(9,114)</b>	<b>(8,615)</b>	<b>(6,865)</b>
<b>Net Working Capital</b>	<b>(1,862)</b>	<b>(2,106)</b>	<b>(1,400)</b>	<b>627</b>
<b>Non Current Assets</b>				
Property, Plant & Equipment	18,656	34,152	40,840	39,228
Other Investments	103	103	103	103
Trust Funds	230	230	230	230
<b>Total Non Current Assets</b>	<b>18,989</b>	<b>34,485</b>	<b>41,173</b>	<b>39,561</b>
<b>Non Current Liabilities</b>				
Borrowings	(6,500)	(18,100)	(23,700)	(23,700)
Provisions	(350)	(350)	(350)	(350)
Trust Funds	(230)	(230)	(230)	(230)
<b>Total Non Current Liabilities</b>	<b>(7,080)</b>	<b>(18,680)</b>	<b>(24,280)</b>	<b>(24,280)</b>
<b>Net Assets</b>	<b>10,047</b>	<b>13,699</b>	<b>15,493</b>	<b>15,908</b>

**6. REFERENCES**

The following documents have been referred to throughout this document and can be accessed as follows:

Wairarapa District Strategic Plan	All of these documents can be viewed on the Wairarapa District Health Board Website
Wairarapa Health Needs Assessment	
Information Systems Strategic Plan	
Wairarapa Maori Health Action Plan	
Mental Health Consultation Document	
Health of the Older Person Plan	
Disability Action Plan	