



Briefing for the Incoming Minister – Summary:

Ministry of Health

The following is a summary prepared by the NZCCSS Secretariat of the Briefing for the Incoming Minister of Health. The document itself is available at www.moh.govt.nz.

NZCCSS has provided this as a summary of the document. This summary is not intended to critique or comment upon the policies or initiatives contained in the agency's Briefing the Incoming Minister, but simply to give an overview of some of the major issues covered in the agency's briefing.

Main concerns and issues outlined by the Ministry of Health

- Increased costs in employing staff in the health and disability sector.
- The need to change the pay and employment environment of support workers in both residential and home-based support work.
- There is a shortage of volunteer home-based support workers and an increasing demand for home-based care.
- Rising expectations of access to equipment, pharmaceuticals and techniques.
- Growth in chronic illnesses which require ongoing care.
- The risk of organisations undertaking major change (such as DHBs) becoming distracted from service delivery.¹
- An ageing population will mean there is increased demand for health and disability support services and a “smaller total workforce in the 20-65 age group which requires technical efficiencies in other work areas in order to retain the required numbers in the health and caring workforce”²
- People living sedentary lifestyles, poor nutrition and obesity which are causing greater prevalence of diabetes and cardiovascular disease.
- Coexisting depression, anxiety and substance-use disorders.
- A changing social climate has seen increasing urbanisation, smaller families and a greater proportion of one-person households. This is contributing to a loss of social support and care and an increase in social isolation and depression, anxiety and substance use disorders.³
- Maori and Pacific peoples are experiencing poorer health than non-Maori and non-Pacific New Zealanders.⁴

Issues:

- Access

Groups that do not receive adequate visibility, support and access to services include people with intellectual disabilities, rare medical conditions or disabilities and people living with combined conditions such as diabetes, obesity, renal failure and reduced mobility altogether.⁵ These people face a number of barriers including; long standing inequities to care and funding and the fact that funding often favours high profile services.

- Workforce capability

The health and disability support sector is facing serious workforce shortages due to:

- A lower working-age population.
- Greater demands on services due to increasing chronic illnesses and diseases.

¹ *Health and Participation: An active agenda: Advice to the incoming Minister of Health*, Ministry of Health, October 2005, p.24.

² *Ibid*

³ *Ibid*

⁴ *Ibid*

⁵ *Ibid*, p.38

- International competition for health workforce

- Disability support

Quantity and quality of support for people with disabilities is low relative to other types of health services⁶ Addressing this issue will be “a major task for the Ministry [of Health] and DHBs”⁷

People who have problems relating to long-term disability are funded through the Ministry of Health and people who have needs that result from medical disorders or treatments are funded through DHBs. The group receiving support from the Ministry of Health is receiving more than those who are funded through DHBs. The Accident Compensation Corporation (ACC) funds more services and pays higher rates for the same services than DHBs or the Ministry of Health.⁸ The Ministry notes that there is a clear lack of continuity and confusion over who funds what in the disability sector.

A major concern of the Ministry of Health is the poorer health status of Maori, which has not matched by the improving status of non-Maori health.⁹ Maori experience:

- lower access to many services
- later access to acute services
- poor experiences of services¹⁰
- They also suffer higher rates of disability than other New Zealanders, this is the case in both adults and children¹¹

Areas of concern that are causing rising demand for services

- Overweight and obese children and adults
- People with type 2 diabetes
- Older people with chronic illness
- Depression and substance abuse, which have been previously under-recognised¹²

The threat of an international influenza pandemic

The world Health Organisation (WHO) is currently on high alert due to the threat of an influenza pandemic. The Ministry of Health is helping prepare New Zealand should there be a pandemic through a number of initiatives:

- Raising awareness of the threat.
- Buying bulk of pharmaceuticals.
- Establishing who is responsible for what.
- “Co-ordinating planning by other government agencies, local and regional authorities, DHBs and medical officers of health.”¹³

Addressing the issues

Inconsistent and inadequate access to services is a serious issue in need of attention. The Ministry of Health urge work to proceed immediately in the area of access to health and disability support services. There is a need to assess the differences in access to services that occur due to different funders, what the impacts are and the different options available to address issues of access.¹⁴

⁶ Ibid

⁷ *Health and Participation: An active agenda: Advice to the incoming Minister of Health*, Ministry of Health, October 2005,

⁸ Ibid, p.39

⁹ Ibid, p.34

¹⁰ Ibid, p.35

¹¹ Ibid, it is not specified in the briefing why Maori experience more problems than non-Maori.

¹² Ibid, p.32

¹³ Ibid, p.52

¹⁴ Ibid, p.40

Access

- Address problems of social isolation through increased care needs (both home-based and local), give people the opportunity to feel more involved in society, improve urban design and increase public health initiatives.¹⁵
- Combine and align policies and programmes across government and community, an example of this is DHBs, who are responsible for aligning national initiatives locally.
- Specialised supports and communication may be needed to assist access to individuals who face barriers to care and support.
- Increasing the capability of health and support service workers to respond to the different needs of individuals and provide access assistance where it is needed.¹⁶

Inequality

- Make services more effective in reducing disparities between groups within the health and disability support sector.
- Better distribution of resources that contribute to good health by the government such as education, employment and adequate housing, factors that all contribute to good health.

Workforce capability

- Work with employers, professional bodies and education providers to make “new work roles requiring a lower level of training.”¹⁷
- Attract more people into home support by “reducing financial disincentives” for example make it easier for people to work part-time in the area of home support without losing their benefit. Develop qualifications and career paths for the home support area.
- Initiatives in priority workforce development areas such as mental health.
- Broader pathways in training with some universities providing common first year training across health/science professions.¹⁸

Initiatives

Mental health is an area that has had little understanding or recognition in the past, in the past ten year’s mental health services has improved. Changing social attitudes towards people with mental illnesses is one of the main aims. The Ministry of Health’s Like Minds, Like Mine programme aims to improve attitudes towards people who suffer from mental illness¹⁹

Primary Health Care Strategy

Aims of the strategy are

- Use the primary health care system and practitioners to their full potential in order to develop better care, better prevention and early intervention.
- Applying government funds to preventative and early care and making it accessible and affordable.
- Adapting services to local needs and allowing community members to actively participate within Primary Healthcare Organisations (PHOs).
- Aligning the wider health and disability support system and giving DHBs a more active role in steering primary health care.²⁰

Funding has been given to PHOs based on “a per-person rather than a per-visit basis.” The strategy gives incentives for the “prevention of illness and disability and for other productivity

¹⁵ *Health and Participation: An active agenda: Advice to the incoming Minister of Health*, Ministry of Health, October 2005

¹⁶ *Ibid*, p.40

¹⁷ *Ibid*, p.48

¹⁸ *Ibid*, p.49

¹⁹ *Ibid*, p.37

²⁰ *Ibid*, p.33

improvements.” Funding has been rolled out faster for PHOs with high healthcare needs and poor historic access.²¹

Despite positive feedback and support for the strategy, there is concern that some providers are still charging fees that may stop some individuals and families from accessing healthcare. There is a variation in fees depending on the location of the PHO.²²

Work is being done to provide assurance that funding results in reduced fees for PHOs and that low fees are maintained in future.²³

Funding

Baseline funding is provided for three years in advance; it is rolled out each year and began in 2002. Its extension to 2007-2008 has been deferred pending the outcome of a Ministry/Treasury review.

Spending

- Annual government health expenditure in New Zealand has increased from an estimated \$458 per head 1950/51 to \$2103 per head in 2004.²⁴
- As a proportion of total government expenditure healthcare has increased from around 15 percent in 1975/76 to around 21 percent in 2005-2006.²⁵
- In 2002 New Zealand’s total health spending as a proportion of GDP was 8.5 percent, New Zealand was ranked 16th out of 27 OECD countries.²⁶
- Vote Health planned expenditure for 2006-2007 is nearly \$9 million (in 2001-2002 \$).²⁷

The Ministry of Health will increase publicly funded healthcare in three areas:

- The Primary Health Care Strategy.
- Reducing income and asset based co-payments for residential care.
- Additional resources going into elective surgery.

The Ministry of Social Development (MSD) is also concerned with the health of New Zealanders; combating obesity is a priority area for MSD in the next three years.

It aims to “Promote healthy eating and healthy activity.”²⁸

- Over half of the New Zealand population is overweight or obese.
- Nearly a third of children are overweight or obese.
- Around 39.5% of total deaths in New Zealand are due to nutrition and inactivity-related risk factors.²⁹
- Obesity is more common among people who experience low living standards.³⁰

MSD recommends the following action:

- Focus on children by promoting healthy eating and activity in schools and early childhood education.
- Working with the food industry to improve the preparation/manufacture and marketing of food.
- Encouraging physical activity across all age groups.
- Promote healthy workplace food and physical activity.

²¹ *Health and Participation: An active agenda: Advice to the incoming Minister of Health*, Ministry of Health, October 2005, PHOs with high health needs are referred to as ‘Access PHOs’ and are the PHOs with at least half of their enrolled population in groups with poor historic access and high population need.

²² *Ibid*, p.34

²³ *Ibid*, p.33

²⁴ *Ibid*, this figure is expressed in constant 2000-2001 dollars

²⁵ *Ibid*, p.41

²⁶ *Ibid*, p.42

²⁷ *Ibid*, see figure 19

²⁸ *Leading Social Development in New Zealand*, Ministry of Social Development, September 2005, p.73. This is priority three of five priorities set out by MSD

²⁹ *Ibid*, p.73

³⁰ *Ibid*, p.74

- Develop and implement “a range of strategies to facilitate behavioural change, including a communications plan to deliver clear messages about nutrition, physical activity and healthy weight.”³¹

³¹ *Leading Social Development in New Zealand*, Ministry of Social Development, September 2005, p.74.