

Statement of Intent 2010–2013

Ministry of Health

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MANATŪ HAUORA

Foreword: Minister of Health

This *Statement of Intent 2010–2013* marks an important juncture for the planning, funding and delivery of health and disability services. The Government has announced a programme of mutually reinforcing changes to the organisation of the health system, and the Ministry must change to support this. I am pleased with the progress we have already achieved, but there is a lot more work to be done to bed-in the reforms and deliver results.

The wellbeing of New Zealanders in a high-quality, patient-centred health system is the focus of the Government's policy for ensuring all New Zealanders have the same opportunities for good health. Our challenge is to enhance the quality of services and realise efficiencies so that more of our resources are devoted to patient care.

New Zealand cannot afford the cost of its health care to continue to grow in an uncontrolled way, nor can we afford poor decision-making. The tight economy creates an unavoidable need to make the very best use of limited health resources while delivering the improvements in services that New Zealanders expect, particularly for those with the greatest needs.

We need a health system that does the right things in the right order, has tightly focused roles that eliminate duplication, and has people with the right knowledge, skills and incentives to do the job.

The first significant step to improve performance and sustainability was the establishment of a new National Health Board and associated business unit within the Ministry. The role of the National Health Board and the dedicated business unit is to: co-ordinate the planning, funding and monitoring of District Health Boards; co-ordinate the planning and funding of national services; arbitrate in regional service disputes; and undertake national capacity planning and funding for workforce, information technology and capital.

My aim is to enhance regional and national co-operation through planning and funding designated specialist services that are of national significance. The designation of these services will be managed by the National Health Board business unit, in consultation with the clinicians and networks that manage these strategic services.

Reinforcing this improvement agenda will be a range of initiatives to streamline functions and processes and make sure the health infrastructure is better aligned to the developing needs of patients and the health system. This year will see key decisions made on how the Ministry will prioritise the procurement of medical devices and new technology and interventions. The Ministry is also reorganising itself to concentrate on its advisory and regulatory functions as well as managing the transition of functions to the National Health Board business unit.

Transparency and accountability are important. That is why I have committed regular public reporting on Health Targets performance. I have also been clear to District Health Boards that they must achieve financial stability and deliver agreed levels of service within budget.

We have the people and skills to meet the challenges we face. My commitment is to ensure we have the leadership, collaboration, focus on patients and partnerships with health professionals to deliver on this potential.



Hon Tony Ryall
Minister of Health

Introduction from the Chief Executive

The three-year period covered by this *Statement of Intent* will see an increased emphasis on the sustainability of the health and disability system.

For the Ministry of Health this means focusing on key health priorities and targets to get maximum value and effectiveness while working to meet public expectations about health and disability services. The Ministry is well placed to meet this challenge.

This past year has seen the Ministry undertake comprehensive line-by-line and in-depth spending reviews to prioritise expenditure from low value to higher-value services.

The next stages of change will emerge over the timeframe of this *Statement of Intent* and will see the development of shared services in order to reduce duplication and drive efficiencies. It will see the development of an increased focus on quality and safety to enhance performance and the patient experience. There will be greater clarity around the interventions and technologies that have the greatest potential to make a difference to people's health.

This requires the Ministry and the National Health Board to assess the implications this change has on it as an agency to ensure we have the people, capabilities and structure to deliver on the priorities of the Government. Therefore, a priority over the coming year will be to complete the establishment of the National Health Board as a business unit within the Ministry, and supporting the creation of the Shared Services Agency and the Health Quality and Safety Commission that will play critical roles in improving the effectiveness and quality of health and disability services in New Zealand.

Reinforcing this improvement agenda will be a range of initiatives to streamline functions and process and making sure the health infrastructure is better aligned to the developing needs of patients and the health system. A rationalisation and refocusing of boards and committees has seen the formation of a new National IT Board and a National Health Committee is being constituted. Proposals are also being considered for the prioritisation and purchase of technology, interventions and medical devices.

Over the next few years, the Ministry will also be supporting the Whānau Ora programme to improve collaboration between funders, providers and practitioners to help whānau/families manage their own affairs more effectively. As one of the three key agencies involved, the Ministry will have a central role in this flagship initiative.

As the role of the health and disability system evolves, its strength remains a core of extremely dedicated and hard working health professionals. This is my last *Statement of Intent* as Director-General of Health and I consider myself privileged to be part of a system that serves the community so well and will continue to improve the health and wellbeing of so many New Zealanders.



Stephen McKernan
Director-General of Health

Ministerial Statement of Responsibility

I am satisfied the information on future operating intentions provided by my department in this *Statement of Intent* and the *Information Supporting the Estimates* is in accordance with sections 38, 40 and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.

A handwritten signature in black ink that reads "Tony Ryall". The signature is written in a cursive style with a horizontal line underneath the name.

Hon Tony Ryall
Responsible Minister for the Ministry of Health

May 2010

Chief Executive Statement of Responsibility

In signing this statement, I acknowledge I am responsible for the information contained in the *Statement of Intent* for the Ministry of Health. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2010/11 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Stephen McKernan
Director-General of Health



Richard Morris
Chief Financial Officer

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About Us

Purpose and vision

Purpose

The Ministry of Health is the Government's principal advisor on health and disability policy.

Our job is to improve, promote and protect the health of New Zealanders. Through our leadership of the health and disability system we will help ensure New Zealanders live longer, healthier and more independent lives. We work with health and disability providers and manage a programme of work that supports the Government's priorities.

Vision

We want New Zealanders to live longer, in better health, with continued and improved independence. To achieve this, New Zealanders need continued access to world-class, high-quality care that is affordable, innovative, effective and sustainable.

The Ministry will continue to drive improvements to achieve this. We will transform our health and disability system to increase quality and deliver better value for money. Our focus is on reducing waste, and improving systems, processes and culture, in order to:

- support greater clinical leadership and integration of services
- improve the focus and co-ordination of services
- put the wellbeing of New Zealanders at the centre of decision-making.

Changes within the Ministry of Health

In January 2009 the Minister of Health commissioned a review of the health system. The focus of this review was to advise on:

- improving performance and quality
- improving the system's capacity to deliver into the future
- moving resources to support front-line care.

The Ministerial Review Group, led by Dr Murray Horn, reported back on 31 July 2009 in *Meeting the Challenge: Enhancing Sustainability and the Patient and Consumer Experience within the Current Legislative Framework for Health and Disability Services in New Zealand*. This report contained over 170 recommendations.

The Minister announced the Government's initial response to the Ministerial Review Group's report in October 2009. The Government's decisions were focused on the following themes:

- stronger clinical leadership in decision-making
- accelerating improvements in quality and safety
- higher system performance and secure future sustainability

- improved national and regional service planning and decision-making
- minimising administrative costs and reducing bureaucracy and waste.

A number of changes were announced, including the establishment of new bodies as well as refocusing a number of existing bodies to oversee key aspects of the Government's reforms. The Government also rationalised the number of ministerial and Ministry committees. One of the most significant decisions taken by the Government was to establish the National Health Board (and a new business unit) within the Ministry of Health to supervise the publicly funded health system.

The Ministry has undertaken an internal review to align its structure, role and functions (including those of the National Health Board business unit) with recent Government decisions and to provide the platform to strengthen the Ministry. The Ministry will also identify ways to achieve greater efficiencies internally and, in particular, will be managing staffing levels to 1290 full-time equivalents by the end of the 2010/11 financial year.

Nature and Scope of Functions

The Ministry of Health is the Government's primary agent in the health and disability system. The Ministry has overall responsibility for the management and development of that system. It also acts as the Minister's principal advisor on health policy, and is a funder and regulator of health and disability services. The Ministry provides an important leadership role across the system and is the primary means of driving performance improvements within the system.

The Ministry also plays an important advisory role to the Government in supporting effective decision-making. Health policy is complex and challenging, with a multitude of difficult and potentially contradictory policy choices. There is considerable public pressure on governments to expand public spending on new medical technologies and greater levels of care and interventions. However, the Government has only limited funding and must make the best choices possible. Complicating decision-making is the increasingly sophisticated nature of treatments and choices, as well as shifting expectations about what constitutes acceptable levels of ailments and limitations on 'good health'.

The increasingly complicated nature of health and disability technology and policy choices means there is a need to keep patients and local communities involved in decision-making, as well as balancing the management of the system while supporting clinically led decision-making.

As well as its key advisory role to the Government and the health and disability system, the Ministry also aspires to be a trusted and respected source of reliable and useful information about health and disability matters in New Zealand for all New Zealanders and the wider international community.

The Ministry's core functions

The Ministry's core functions are to:

- improve, promote and protect the health of New Zealanders
- advise the Minister on strategy, policy and system performance, including advice on improving health outcomes, reducing disparities, ensuring fairness and increasing participation; nationwide planning, co-ordination and collaboration across the sector; and the implementation of the four key strategies currently in place (Health, Disability, Māori Health and Primary Health Care)
- act on behalf of the Minister to monitor and improve the performance of health sector Crown agencies and District Health Boards, which are responsible for the health of their local communities
- administer legislation and regulations on behalf of the Crown, and meet legislative requirements
- fund and purchase health support services on behalf of the Crown, including the maintenance of service agreements, particularly for public health, disability support services and other services funded by the Ministry
- service Ministers' offices and ministerial advisory committees.

The Ministry also has health professional and advisory roles to provide clinical and technical advice to the Minister, and within the Ministry and the sector. Some of these functions also have clinical decision-making and/or statutory responsibilities (such as the Director of Public Health).

The Ministry and National Health Board

Certain Ministry relationships with District Health Boards are managed through the Ministry's new National Health Board business unit, which operates with the National Health Board. The National Health Board business unit is managed by a National Director under delegated authority from the Director-General of Health.

The National Health Board is a major part of the Government's response to the Ministerial Review Group's recommendations. The board is expected to play an influential role in shaping the way health and disability services develop in the future and in unifying the sector. A full list of the initial appointees to the board is available on the Beehive website.

The National Health Board and the Ministry of Health will work together to consolidate planning, funding, workforce planning and capital investment, as well as better supervise the billions of dollars in public funding spent on hospitals, primary health services and important national health services.

The National Health Board's terms of reference describe the Board's role as:

- providing input to the Director-General on establishment issues for the National Health Board business unit especially the functions to be delivered by the business unit, and the capacity required to discharge these functions; a project plan and change management process for the establishment of the business unit; a communications plan and clinical engagement strategy; and objectives, performance measures and monitoring of the business unit
- providing separate comment in Ministry of Health advice on how to progress other Cabinet decisions arising from the recommendations of the Ministerial Review Group when these are relevant to the work of the National Health Board
- advising the Minister and the Director-General of Health on the functions performed by the National Health Board business unit and any other matters the Minister or Director-General may refer to it.

The Minister and the National Health Board will, with the input of the Director-General of Health, agree an annual work programme for the National Health Board. This programme currently includes the following priority areas:

- developing an approach to long-term service planning that is more effective and unified
- identifying, planning, funding and monitoring the delivery of national health services
- supporting the ongoing development and implementation of regional service plans by District Health Boards
- District Health Board funding and planning, and improving District Health Board performance
- ensuring workforce, information technology and capital requirements support future service plans
- encouraging clinical leadership and engagement
- reducing waste and bureaucracy and improving the productivity of the health and disability system
- devolving relevant non-departmental expenditure to the regional and district level.

The National Health Board will lead the national prioritisation and allocation of health capital funding. To achieve this, the Board will develop long-term capital and asset management plans that are driven by future service needs as well as being more closely integrated with strategic planning for the health workforce and sector information and communications technology. This work will be managed through a subsidiary committee called the Capital Investment Committee, which replaces the National Capital Committee.

Shared services

The Ministerial Review Group identified opportunities for freeing up resources for front-line services by eliminating unnecessary duplication of back-office functions (eg, administrative and support services such as procurement and logistics, payroll, human resource functions, and transactional information systems). In response, the Government established the Shared Services Establishment Board in December 2009 under the overall governance of the Implementation Oversight Committee. The Shared Services Establishment Board comprises a chair and four members working under terms of reference agreed with the Minister.

Over the short to medium term it is intended that a shared services approach will be used to explore options to progress the more efficient and effective provision of public sector health administrative and support services through the centralised or co-ordinated provision of corporate services. This will involve conducting benchmarking and analysis, and developing business cases for sharing services. Clinicians will have input into any joint procurement processes.

Changing existing entities for better results

In response to the Ministerial Review Group's recommendations, the Government also changed or replaced a number of existing boards and committees. These changes or replacements are intended to improve the effectiveness of these bodies and better support the Government's key priorities. The Ministry will also actively support the implementation of these changes because they will help achieve the Ministry's outcomes.

Health Workforce New Zealand

Health Workforce New Zealand was established under section 11 of the New Zealand Public Health and Disability Act 2000 to improve health workforce planning and co-ordination, and it replaces the Clinical Training Agency Board. Health Workforce New Zealand is supported by a unit operating within the National Health Board business unit, which incorporates the Ministry's Strategic Workforce Development unit and the Clinical Training Agency.

National Health Information Technology Board

The National Health Information Technology Board was established under section 11 of the New Zealand Public Health and Disability Act 2000, replacing the Health Information Strategy Advisory Committee. The role of this board is to provide advice to the Minister and Director-General of Health on current and future investment in health information technology solutions to enable integrated care models. In giving effect to its advisory role, the Board will review and endorse major capital investments in health information technology projects and primary care information technology grants (the latter will support feasibility studies, evaluate clinical benefits or extend the roll-out of successful clinical/information technology projects). The Board will also support the establishment of the Shared Services Agency.

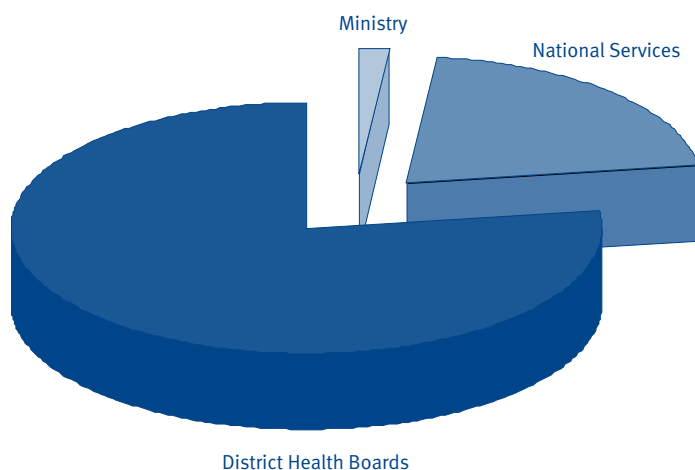
Health Quality and Safety Commission

This new Commission replaces and builds on a solid platform of work undertaken by the former Quality Improvement Committee. The Commission will be a leader of, and source of expertise for, quality and safety improvement in health care. The Commission will work closely with the Ministry of Health and health care providers to support and drive quality improvement across the whole health sector. It will be responsible for: the public reporting of quality and safety indicators, serious and sentinel events in the initial stages; leading and co-ordinating work to improve quality and safety across the health and disability system; and any other functions it is authorised to perform by the Minister of Health.

The Commission's board, appointed in April 2010, will focus on developing and implementing a work programme for 2010/11 and will commence operations from 1 July 2010. Regulatory, funding and performance monitoring functions will remain within the Ministry of Health and will be aligned to fit with the new Commission.

Vote Health funding

Figure 1: Vote Health's funding allocation



The Ministry allocates more than three-quarters of the \$13.574 billion of public funds it manages through Vote Health to District Health Boards. District Health Boards use this funding to plan, purchase and provide health services within their areas, including public hospitals and the majority of public health services.

Most of the remaining public funding provided to the Ministry of Health (approximately 21 percent) is used to fund important national services such as disability support, public health, specific screening programmes, mental health, electives, Well Child and primary maternity services, Māori health and postgraduate clinical education/training.

About 1.6 percent of the \$13.574 billion Vote Health funding is spent on the Ministry's functions in support of the sector and government.

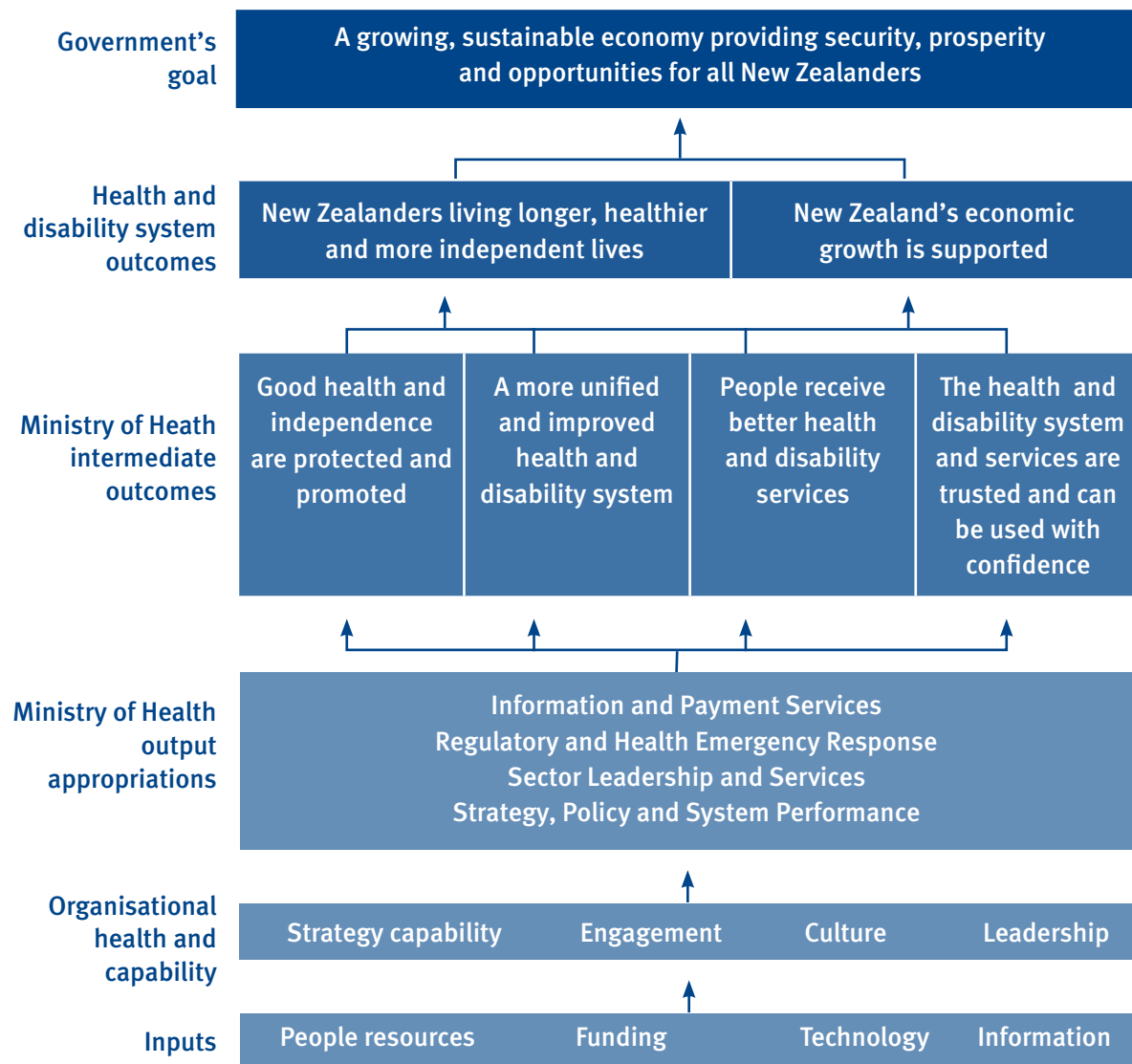
The Government wants to ensure services are delivered at the right place in the system. In 2009/10 the Ministry directly purchased about \$2.5 billion of health and disability services. It is possible that some of these services purchased by the Ministry of Health could be devolved nationally. It may also be possible that some services currently purchased by District Health Boards might be better purchased nationally.

Our Strategic Direction

This section outlines what the Government, the health and disability system and the Ministry of Health want to achieve in the longer term, and explains how the Government’s shorter-term priorities and targets connect with these strategic outcomes. Figure 2 shows the connections between the Ministry’s inputs (eg, its people and resources, see level one) and the ultimate outcomes expected by the Government. Each layer of this figure contributes to the next level up. The relationships are complex and not necessarily one-to-one. In the following sections we have included discussions on how the Ministry contributes to its intermediate outcomes (level four).

The Ministry also makes a contribution to system outcomes (level five) along with all of the other organisations involved in the health and disability system. The health and disability system in turn contributes, along with all of the other sectors of government, to the Government’s ultimate goal. Longer term, the Ministry will undertake further work to better understand and refine the relationships between its intermediate outcomes as well as the connections and contributions to system and government goals.

Figure 2: Our Outcomes Framework



The Government's goal for economic growth

In the December 2008 Speech from the Throne, the driving goal of the Government was outlined as follows:

... grow[ing] the New Zealand economy in order to deliver greater prosperity, security and opportunities to all New Zealanders.

The Government believes strong economic growth delivers higher incomes, better living conditions and, ultimately, a stronger society for all New Zealanders. This over-riding goal underpins the work of the health and disability system as part of the Government. The Ministry and the health and disability system contribute to this ultimate outcome.

The Government's six policy drivers for growth

The Government has set six policy drivers to underpin its plan for growth. These drivers are:

- support for science, innovation and trade
- better regulation, including regulations on natural resources
- better public services
- investment in infrastructure
- improved education and skills
- a growth-enhancing tax system.

What the Ministry will do to support the Government's policy drivers for economic growth

The Ministry supports these drivers and has integrated them into its business planning. Following are examples of specific ways the Ministry supports these drivers.

- **Support for science, innovation and trade:** the Ministry supports New Zealand's growing health science and innovation industry by providing regulatory and ethical oversight, by supporting the involvement of health practitioners and services in research and innovation to improve health service delivery, and by funding research and evaluation essential to the operation of the health system.
- **Better regulation:** some parts of the health and disability system are heavily regulated. Much of this regulation is necessary to ensure people's health is well protected against unsafe practices and other health risks (including public health and environmental risks). However, the Ministry continues to review existing and new regulation to ensure that any regulation appropriately balances protection while not unnecessarily constraining innovation and growth within the New Zealand economy.
- **Better public services:** the Ministry is committed to delivering better services. Through its leadership role in the health and disability sector, the Ministry is promoting and supporting a smarter and more productive use of health resources. Working with the National Health Board and forthcoming Shared Services Agency the Ministry will be promoting more effective planning and co-ordination within the health and disability system, and eliminating wasteful and unnecessary duplication of effort. The Ministry is also reviewing its own structure and organisational capabilities to ensure it delivers optimal performance.

- **Investment in infrastructure:** the Ministry helps to co-ordinate investment in health infrastructure to ensure it meets requirements and is balanced against the various competing demands on government investment decision-making. An area where the Ministry can play a key role is to improve the sector's decision-making and planning for infrastructural investment such as information and communication technology. An example of this infrastructural investment is the Ministry supporting District Health Boards to implement the Government's re-investment programme in child and adolescent oral health services. The establishment of the National Health Board and the Capital Investment Committee will play an important role in driving better investment decisions in the health system.
- **Improved education and skills:** the Ministry is working with the health and disability sector to deliver better clinical training and lift the overall quality and skill of health practitioners in New Zealand. The establishment of Health Workforce New Zealand will be an important driver of this work.
- **A growth-enhancing tax system:** this driver is technically out of the scope of the Ministry of Health. However, as a major user of public funding, the Ministry's focus on maximising value for money in the health sector makes a contribution to the Government's long-term funding priorities.

Health and disability outcomes

In addition to supporting the Government's ultimate goal of economic growth, the Ministry also contributes to two health and disability system outcomes:

New Zealanders living longer, healthier and more independent lives

New Zealand's economic growth is supported

These two system outcomes are equally balanced. Ensuring New Zealanders live longer, healthier and more independent lives is an inherently good thing. Managing a publicly funded system means having to make difficult choices to balance health and economic considerations to achieve optimal and sustainable results. The Ministry's key role in achieving these end outcomes is to help the Government to make and deliver those choices effectively.

These system-level outcomes also make a direct contribution to the Government's ultimate aim of growing the economy to deliver prosperity, security and opportunities to all New Zealanders. As part of the health and disability system, the Ministry of Health contributes to these system-level outcomes by delivering on its organisational-level outcomes.

New Zealanders living longer, healthier and more independent lives

Ensuring people can live longer, healthier and more independent lives is a core objective of society. Good physical and mental health provides people with the security and comfort needed to enjoy their lives and take advantage of all the opportunities available to them. Good health and the ability to live independently are also important drivers of socioeconomic success and provide a powerful means of eliminating social disadvantage and inequality by enabling people to realise their full potential.

New Zealand has a good track record of delivering longer, healthier and more independent lives for its people. The sector can demonstrate progress against this outcome through a range of measures included in the health indicator framework reported in the Director-General's report on the *State of Public Health* released as part of the Ministry's *Annual Report*. Last year's *State of Public Health*

report demonstrated ongoing improvements in a range of key measures of New Zealanders' health and wellbeing, and also identified areas where improvements need to be made. However, more can be done to improve services.

New Zealand's economic growth is supported

There is a growing recognition that a prerequisite for future economic productivity and prosperity is that people live long, healthy and independent lives. From this perspective, good health is a critical investment for the future.

Effective health and disability services deliver better productivity and a consistent labour supply as well as enabling improved skills. Good health for as long as possible is therefore a good investment for growth and productivity. Having a strong and effective economy also enables us to support the most vulnerable in society and sustain health and disability programmes for an ageing population.

Ill health and poor health expectancy have significant negative impacts on the economy, both through the direct costs of treatment, as well as indirect costs such as reduced productivity through ill health or early death, and the intangible reduction in performance that can occur through psychosocial diseases and addictions.

Addressing health inequalities is an effective means of breaking down social disadvantage and allows full participation by all groups in the economy. This is essential for a dynamic labour market to support a strong economy, and it also enables every New Zealander to take full advantage of all the opportunities available to them to realise their full potential.

Over recent years, funding for the health and disability system has significantly outpaced New Zealand's national income growth. Unchecked, this growth in health and disability spending will become unsustainable. The relationship between good health and disability outcomes and future economic success is complementary: good health is good for the economy, and having a strong and sustainable economy is necessary to support a world-class health and disability system.

The Ministry's outcomes

The Ministry has four organisational outcomes it is aiming to achieve, which contribute to outcomes for the health and disability sector as well as the Government's policy drivers and its overall goal. The Ministry's outcomes are:

Good health and independence are protected and promoted

A more unified and improved health and disability system

People receive better health and disability services

The health and disability system and services are trusted and can be used with confidence

More detail on each Ministry outcome – including what we are doing to achieve the outcomes and how we will demonstrate success – is outlined in the Operating Intentions section.

In addition to these longer-term organisational outcomes, the Ministry's work is also driven by the immediate priorities of the Government and the Minister of Health.

The Government's Health Targets

The Government's Health Targets are a set of national performance measures specifically designed to improve the performance of health services. The targets provide a focus for action. They also provide a way of measuring whether or not the health and disability system is making a difference in improving health for all New Zealanders. The Ministry and the Minister review the Health Targets annually to ensure they align with Government health priorities.

The Government has identified two major areas for focusing action: improving hospital productivity and speeding up the implementation of the Primary Health Care Strategy. Under these two broad headings are six targets to improve the health sector's performance and ensure our health and disability system is contributing to maintaining and improving health outcomes in these important areas.

The Ministry of Health and the District Health Boards are collectively responsible for the Health Targets. Each District Health Board has its own local targets, which take into account the particular health needs of its community. Collectively these targets contribute to a national improvement in each area. The Ministry of Health has appointed 'target champions', who work with and provide support to the health sector. The Ministry reports on District Health Board achievement against these targets throughout the year.

Table 1: Health Targets and how they are measured

Health Target	Measures
Improving hospital productivity	
Shorter stays in emergency departments	95% of patients will be admitted, discharged or transferred from an emergency department within 6 hours.
Improved access to elective surgery	The volume of elective surgery will be increased by an average 4000 discharges per year (compared with the previous average increase of 1400 per year).
Shorter waits for cancer treatment	Everyone needing radiation treatment will have this within 4 weeks by December 2010.
Primary Health Care Strategy	
Increased immunisation	90% of 2-year-olds will be fully immunised by July 2011, and 95% by July 2012.
Better help for smokers to quit	90% of hospitalised smokers will be provided with advice and help to quit by July 2011, and 95% by July 2012.
Better diabetes and cardiovascular services	An increased percentage of the eligible adult population will have had their cardiovascular disease risk assessed in the last 5 years. An increased percentage of people with diabetes will attend free annual checks. An increased percentage of people with diabetes will have satisfactory or better diabetes management.

Priorities

The Minister of Health has identified the following four priorities for the Ministry's short and medium term work programme:

Strengthening the health workforce
Improving hospital productivity
Speeding up the implementation of the Primary Health Care Strategy
Improving value for money

Another important priority for the Ministry's work programme will be to support implementing the Government's response to the Ministerial Review Group's recommendations, with a particular focus on:

- improving leadership and planning, primarily by supporting the establishment of the National Health Board and the National Health Board business unit, together with subsidiary committees of the National Health Board and the development and execution of initial work programmes
- improving quality in the health and disability system, including through supporting the implementation of the new Health Quality and Safety Commission (formerly the Quality Improvement Committee)
- progressing the more efficient and effective provision of public sector health administrative support services by centralising or better co-ordinating the provision of these services through the Shared Services Agency
- providing advice to the Minister and Director-General on current and future investment in health IT solutions to enable integrated care models, through a National Health Information Technology Board (formerly the Health Information Strategy Advisory Committee).

Whānau Ora is being implemented across key government agencies, including the Ministry of Health. As such, implementing this cross-agency initiative will be an important driver of the Ministry's work programme.

The Ministry will also continue to work on the issues emerging as a result of New Zealand's ageing population and, in particular, improving the health and independence of older New Zealanders.

More detail about each of these priorities is included in the Operating Intentions section. The placement of a priority under a particular intermediate outcome does not necessarily mean there is a direct one-to-one relationship between the priority and outcome. In most cases, the priorities ultimately contribute to a number of outcomes. What is shown in the Operating Intentions section is the most relevant connection between a priority and outcome—not the *only* connection.

Working with our partners

The Ministry does not deliver health services directly: it works with, and through, a complex array of organisations to achieve the Government's health objectives. The Ministry's partner organisations include District Health Boards; non-governmental organisations, including Māori and other health providers; the Accident Compensation Corporation; other organisations, including primary health organisations, private hospitals, private dentists and pharmacies; and community organisations. Together, these organisations make up the health and disability system. It is essential the Ministry of Health works with and is aware of this wider group in formulating its policy and service delivery planning.

The Ministry and public health and disability organisations are not the only government agencies involved in health and disability services. For example, a range of agencies such as the Accident Compensation Corporation and the Department of Labour work on health and safety, the Department of Corrections delivers primary health care to many thousands of prisoners, and the justice system is a major user of addiction services. Local authorities also play important roles in public health by providing vital sanitation and waste disposal services, and managing other environmental health issues. The Ministry works collaboratively with these other agencies to ensure services are appropriately co-ordinated, as well as providing second opinion advice on their work, seeking their input to our own policy thinking, and working jointly on areas of common interest. The Ministry will also work with other agencies such as the Ministry of Social Development and the Ministry of Education to deliver on Whānau Ora. We also work closely with local government on issues such as regional public health.

Research organisations play a critical role in helping the Ministry to deliver on its objectives. The Ministry commissions and funds research itself, and also works with other agencies (such as the Ministry of Research, Science and Technology and the Health Research Council), which direct and fund research into medical science. We also maintain strong relationships with Crown Research Institutes and with the educational institutions that both train New Zealand's health professionals and help build our health research knowledge base and capability.

Operating Intentions

Introduction

In this section the Ministry's contributions to the priority areas identified in the previous section are described under the four Ministry intermediate outcomes:

- good health and independence are protected and promoted
- a more unified and improved health and disability system
- people receive better health and disability services
- the health and disability system and services are trusted and can be used with confidence.

Under each outcome are the following subsections:

- What are we seeking to achieve?
- How will we demonstrate success in achieving this?
- What will we do to achieve this?

Demonstrating success

The Ministry has adapted its outcome framework and, as a result of this, it needs to develop indicators to demonstrate progress in achieving its outcomes over the medium term, as well as demonstrate its contribution to the health and disability system outcomes and the Government's goal.

However, the Ministry currently monitors and can demonstrate progress in achieving its intermediate outcomes through a number of publicly released reports. These reports contain indicators and trend data which provide useful historical and baseline information, and can help show the ultimate impact the Ministry is having over the period covered by this *Statement of Intent* and beyond. Many of these indicators are influenced not only by the Ministry but also the wider health and disability system, and a range of other activities and factors. Understanding the exact causal relationships between the Ministry's activities and these types of results will be an important area of work over the medium term.

Ensuring the Ministry delivers its programme of work is an essential step in ensuring it stays on-track for producing longer-term outcomes. The Ministry monitors its work and performance supporting its outcomes through a detailed range of outputs and work measures included in its *Information Supporting the Estimates of Appropriation* and an annual output plan agreed with the Minister of Health.

Outcome 1: Good health and independence are protected and promoted

What are we seeking to achieve?

The Ministry wants New Zealanders to live long, healthy and independent lives. To do this we need to monitor and successfully manage threats to good health, such as preventable diseases, through better immunisation and managing outbreaks of contagious diseases such as influenza. We also want people to enjoy good physical and mental health. We work with a range of organisations both locally and internationally to monitor threats to health. We also work to support good environmental practices to better manage public health issues such as water quality.

It is better to prevent ill health than to treat it, so we want to encourage New Zealanders to take greater personal responsibility for managing their own physical and mental health and wellbeing. To do this, we provide information and programmes to support individual health and wellbeing, particularly in vulnerable populations, as well as supporting people to deal with major health risks such as smoking, obesity, oral disease, diabetes and cardiovascular disease, which share risk factors. We will also focus on the earliest years by providing high-quality safe and accessible maternity services, effective and efficient Well Child/Tamariki Ora services, and strong networks of paediatric services. We know that a person’s health during the antenatal period and first three years of life are critical in their lifespan.

How will we demonstrate success in achieving this?

Good health and independence are protected and promoted	
Indicators – over the period of this SOI	Source
<p>Health status</p> <p>Increased health expectancy (67.4 years for males and 69.2 for females in 2006)</p> <p>Increased life expectancy (78.0 years for males and 82.2 years for females in 2006)</p> <p>Disability requiring assistance (9.7% for males and 11.1% for females in 2006)</p> <p>Improving mental health services using relapse prevention planning (90% of long-term clients have up-to-date relapse prevention plans in 2009)</p>	<p>These and other indicators are taken from the Health Indicator Framework reported in the Director-General of Health’s <i>Annual Report on the State of Public Health</i> included in the Ministry’s Annual Report tabled in Parliament</p>
<p>Quality and effectiveness</p> <p>Reduced smoking prevalence and tobacco consumption (21% of adult population in 2008)</p> <p>Reduced levels of obesity (24.8% of males and 26.0% of females were obese in 2006/07)</p> <p>Reduction in hazardous alcohol consumption (21.1% of surveyed adult drinkers had potentially hazardous drinking patterns in 2006/07)</p>	
<p>Equity and access</p> <p>Increased immunisation coverage (85% of 12-month-old children and 80% of 24-month-old children were fully immunised in 2009)</p>	

Good health and independence are protected and promoted	
Indicators – over the period of this SOI	Source
<p>Government Health Targets</p> <p>Increased immunisation (90% of two-year-olds by July 2011 and 95% by July 2012)</p> <p>Better help for smokers to quit (90% of hospitalised smokers provided with advice and help to quit by July 2011, and 95% by July 2012)</p> <p>Better diabetes and cardiovascular services (2.3% of eligible population had CVD checks in 2008/09 and 72% of people had ‘satisfactory or better’ diabetes control in 2008/09)</p>	<p>The Ministry publicly reports on DHB achievements against Government Health Targets</p>
<p>Environmental health indicators show the links between risk factors and health status (there are a range of indicators on water, air, border health protection and chemical injuries)</p>	<p><i>Annual Review of Drinking/ Water Quality in New Zealand</i></p> <p><i>Environment Health Indicators for New Zealand report</i></p> <p><i>Chemical injury surveillance for New Zealand</i></p>
<p>Reduction in perinatal and maternal mortality (maternal mortality rate 16.8 per 100,000 maternities and perinatal mortality rate 9.8 per 1000 total births)</p>	<p><i>Perinatal and Maternal Mortality in New Zealand Report</i></p>

What will we do to achieve this?

The Ministry uses its policy, regulatory and leadership roles to support the protection and promotion of good health. In particular we:

- support District Health Boards and an enhanced Well Child/Tamariki Ora programme to improve maternity outcomes
- sustain well-integrated services for children and whānau/families and specialist care as close to home as possible by supporting primary health care, general practices and paediatric networks
- undertake policy and monitoring work aimed at protecting public health for individuals, whānau/families and communities
- monitor emerging trends and develop effective interventions to address threats to good health
- work with local, national and international bodies to monitor threats to the health of New Zealanders
- co-ordinate national responses to health emergencies and disasters
- protect and advance the health and wellbeing of people whose health is vulnerable
- ensure policies, systems and processes support good health while protecting the privacy of patients
- take an intergrated approach to health and wellbeing to enable whānau to be self managing (Whānau Ora).

Actioning Government priorities

The Ministry will focus its efforts on the key Government Health Targets of increased immunisation, better help for smokers to quit, and better diabetes and cardiovascular services. Over the next three years the Ministry will also be driven by the following key Government priority of speeding up implementation of the Primary Health Care Strategy.

Speeding up implementation of the Primary Health Care Strategy

We need to keep New Zealanders healthy and out of hospital. To do this, the Ministry needs to ensure the system is effectively planned, funded and monitored so that New Zealanders can get faster, more convenient health care that is closer to home. The Government is also driving the development and implementation of proposals for reconfiguring primary health services and models of care. Ultimately, the initiatives will lead to people getting better access to a wider range of health services closer to home, including promoting Integrated Family Health Centres to enable people to access a range of services in the same local building, which will include services that have previously only been available in a secondary care setting.

Delivering the Ministry's work programme

In addition to the Ministry's work to support the Government's priorities and targets, we will undertake the following key work items:

- reduce the impact on the population of large-scale emergencies, through national leadership and co-ordination of national, regional and District Health Board emergency services
- implement a bowel-screening feasibility trial
- support, maintain and make approved changes to national infrastructure and systems
- maintain effective communicable disease surveillance, prevention and control as well as co-ordinating effective outbreak responses
- improve drinking-water quality, and prevent, mitigate or minimise environmental risks
- maintain continuous vaccine supply and increase vaccine coverage
- develop a new model for supporting disabled people
- develop a quality and safety programme for maternity services that improves service delivery across primary care, provides safe and timely transition to secondary and tertiary care when appropriate, and leads to improved outcomes for pregnant women and their babies
- maintain up-to-date nutrition and physical activity guidelines and health education resources
- support the development and implementation of national screening programmes to identify diseases and facilitate treatment earlier
- progress and support the actions in *'Ala Mo'ui: Pathways to Pacific Health and Wellbeing*
- provide professional oversight of public health actions across the Ministry and sector and with other sectors, including clinical leadership, particularly relating to prevention, population health, health protection and responses to public health emergencies
- maintain the relationship between the Ministry, Organisation for Economic Co-operation and Development, United Nations, World Health Organization and Asia–Pacific Economic Co-operation
- enhance the management of sexual and reproductive health

- He Korowai Oranga, and also child mortality/family violence work in keeping with the Government’s response to family violence.

A work programme detailing programmes and projects to support Outcome 1 will be provided to the Minister of Health in the Ministry’s output plan for the 2010/11 financial year. The Ministry’s *Annual Report* to Parliament will outline the Ministry’s progress in achieving this organisational outcome and will include details of the Ministry’s contribution to achieving the Government’s priorities, Health Targets, key work items and major achievements.

Outcome 2: A more unified and improved health and disability system

What are we seeking to achieve?

The Ministry wants to improve the health and disability system to deliver better results. To do this, we need to promote a more unified system where there is much greater co-ordination of effort and wasteful duplication is eliminated. We will use our funding and purchasing role to set clear targets, monitor performance and take or recommend corrective action to ensure effectiveness. We will also support greater clinical participation in decision-making and drive greater quality.

How will we demonstrate success in achieving this?

A more unified and improved health and disability system	
Indicators – over the period of this SOI	Source
<p>Health system performance</p> <p>How well the health system is performing in delivering quality health actions to improve the health of all New Zealanders</p>	<p>These and other indicators are taken from the Health Indicator Framework reported in the Director-General of Health’s <i>Annual Report on the State of Public Health</i> included in the Ministry’s Annual Report tabled in Parliament</p>
<p>Efficiency and value for money</p> <p>More efficient day-case procedures (more than half of procedures allow patient to be admitted and discharged on the same day in 2009)</p> <p>Improved productivity and costs of public hospital services (costs per output and outputs per FTE)</p>	
<p>Health workforce supply meets service demand</p> <p>Increased uptake of post-entry clinical training (estimated 5648 in 2009/10 of which General Practice was 359)</p> <p>Other measures include:</p> <ul style="list-style-type: none"> • Increasing uptake of voluntary bonding • Increased number of New Zealand health professionals working overseas returning to New Zealand • Doctors retained in rural and priority areas 	

In addition to these indicators, the Ministry also anticipates that through its work with the National Health Board, it will be able to demonstrate tangible evidence of a more unified and improved health and disability system by:

- improving decision-making and planning, funding and accountability by amending the statutory framework

- improving regional planning and co-ordination through regional service plans
- supporting the elimination of waste and unnecessary duplication of back-office operations
- progressing the ‘Better, Sooner More Convenient’ primary care concept
- managing designated national services managed through the National Health Board, supported by effective clinical networks
- improving the alignment and co-ordination of health and disability system planning for services, capital, workforce, IT plans and investments
- supporting greater clinical leadership and development.

What will we do to achieve this?

The Ministry is employing a range of levers (eg, policy, legislative change, funding and accountability arrangements) to encourage and monitor improvement in the health system, including:

- improving collaboration among District Health Boards in the planning and funding of clinical services at national, regional and local levels
- better collaboration and use of other agencies, including non-government and private sector partners
- improving necessary regulation to support outcomes, while also identifying and removing unnecessary or superfluous regulation that stifles innovation or imposes unnecessary constraints or burdens on providers
- improving the capacity of the health and disability workforce to meet service demands
- eliminating unnecessary delays in treatment
- shifting resources to front-line services
- improving co-ordination within the system to avoid unnecessary duplication of services and reduce wastage
- focusing effort on performance improvement
- improving the collection and use of information while appropriately protecting privacy.

Actioning Government priorities

The focus of our efforts over the next three years will be driven by the key Government priorities of:

- strengthening the health workforce
- improving hospital productivity
- improving value for money
- improving leadership and planning.

Strengthening the health workforce

The Government’s major priority for the health sector is to strengthen the health and disability workforce. It wants to do this because unless New Zealand has the health professionals it needs, we will never be able to deliver the services New Zealanders expect.

The Government has already made significant progress in addressing shortages in key areas and has established the basis for improved planning for the future. The new voluntary bonding scheme is up and running, with nearly a thousand graduate doctors, nurses and midwives enrolled. Eighty extra medical student places and 50 extra general practitioner training places have been funded over the next two years, and \$70 million will be invested in additional training and education to staff our new dedicated elective surgical theatres. The Minister has also established Health Workforce New Zealand, and over the coming year this will be working to improve the national co-ordination and focus of workforce planning, funding and training.

Improving hospital productivity

Hospitals are a major part of our health system and account for most of the Government's total spending in health and disability. It is essential these institutions are working effectively and making the best use of scarce resources if the health sector is to live within its means while delivering improved services for patients.

Significant progress has already been made in improving hospital productivity. Elective discharges were at a record high of approximately 135,000 in 2009, and the Government continues to promote sustained improvements as well as greater consistency across different hospitals.

Improving value for money

Current and projected constraints on Government funds mean that the health service will need – more than ever – to ensure a strong and ongoing focus on value for money. The Government is committed to a sustained and real examination of the value of every health dollar spent, which will allow us to free up low-quality spending for higher priorities, such as at-risk services and training more staff. Over the coming year the Ministry will be implementing a range of changes to health administration recommended by the Ministerial Review Group. These are intended to realise significant savings over the next five years, which will be transferred to front-line services. This includes establishing the Shared Services Agency to reduce the cost to the sector of administrative and support services.

The Ministry has an ongoing role in ensuring the annual budget process is based on explicit economic principles so that the cost effectiveness of any budget initiatives can be shown. In addition, a prioritisation process will assess the areas of best spend and compare different initiatives. The Ministry also operates an 'internal treasury' function to ensure the ongoing best use of resources. It is imperative that the Ministry consider best use of resources across both the public and private sectors, and the Government has made it clear it expects both sectors to work cooperatively to achieve value for money. The Ministry will continue its work with both sectors to ensure this happens.

Improving leadership and planning

The Government is working to establish stronger leadership and decision-making throughout the health and disability system. This underpins and affects all the above priorities, providing direction and – importantly – clinical input to ensure changes and service improvements are effective and sustainable.

The Ministry's immediate focus over the next year will be to implement fully the National Health Board, along with its subsidiary boards, the Shared Services Agency and the Health Quality and Safety Commission. Each of these boards and entities will develop and start to deliver improved leadership and planning of the health and disability system.

The Ministry is refocusing its organisational structure to support these reforms, and will also focus on being responsive to the Government's health reform agenda by providing timely, high-quality policy advice. This includes looking at the whole system, including the private sector and the Accident Compensation Corporation. A key role of the Ministry is to assess how the system as a whole performs and how it could change in order to meet future goals. The Ministry will continue to monitor the performance of the publicly funded aspects of the health and disability system. This level of transparency of service performance will continue to drive accountability, improved service performance and innovation within the system.

Delivering the Ministry's work programme

In addition to the Ministry's work to support the Government's priorities and targets, we will also undertake the following key work items:

- support the implementation of 'better, sooner and more convenient' primary care – improve links between oral health care, primary health care and other health policies for a more integrated health policy
- consolidate and rationalise existing programmes to offer a comprehensive and co-ordinated suite of information and support services, at both the national and regional levels, dedicated to improving the recruitment and retention of Māori health professionals
- support Māori health providers through the administration of the Māori provider development scheme and the implementation of the Te Ao Auahatanga Māori Health Innovation Fund
- develop a sustainable Māori Provider Development Pathway and Investment Framework
- increase and sustain the skill sets and knowledge of the current and potential Pacific health and disability workforce, and support the sustainability of viable Pacific providers through the Pacific Provider and Workforce Development Fund
- support, maintain and make approved changes to, Ministry infrastructure and systems
- use our role as a purchaser of national services to deliver the best health and disability services, where and when they are required
- support ambulance sector engagement with health and emergency servicing sectors to promote collaboration between the ambulance sector and the primary, secondary and tertiary health sectors as well as support participation in Emergency Care Co-ordination Teams
- provide governance support for District Health Boards and other health Crown entities, including:
 - continuing to improve the training and support offered to District Health Board members
 - developing advice to non-DHB health Crown entities on funding and planning
 - providing advice on governance issues affecting District Health Boards and other Crown entities, including assisting with the resolution of governance issues affecting board performance and promoting best-practice governance approaches
 - providing advice on matters of high impact or long-term strategic significance to District Health Boards and other health Crown entity boards
 - providing advice on policy for District Health Board elections, and engaging with the sector on the 2010 elections
 - liaising with District Health Boards and other health Crown entities at the governance level, and at management levels for other Crown entities
 - providing advice on ministerial appointments to governing roles

- develop and implement the continuous New Zealand Health Survey
- undertake and report on the results of the burden of disease study
- run internal prioritisation processes and budget processes to ensure the most cost-effective use of resources
- support the best ways for public and private sectors to work together, including the operation of the private sector desk and improved interaction between the sectors
- maintain a system-level view on the Health and Disability System, including the private sector, voluntary sector and the Accident Compensation Corporation.

The National Health Board business unit's prospective work programme (2010–2013) includes the following goals:

- to identify, plan, fund, deliver and monitor national health services and clinical networks: clinical networks will play a large part in supporting and guiding the work of the National Health Board, and clinicians will have a strong role in co-ordinating and integrating service planning and decision-making across all levels of the sector, locally, regionally and nationally
- to support the development and implementation of regional service plans by District Health Boards
- to implement service planning and funding frameworks that enable services to be provided at the most appropriate level (national, regional or district), in order to support a more efficient and effective health system with clear performance accountability and development of resource capacity
- to implement vertically and horizontally integrated resource capacity (capital, workforce and IT) planning and investment processes that support service plans and models of care
- to implement more integrated funding, monitoring and planning processes that incentivise improved performance towards a more sustainable District Health Board sector and with greater clarity in measuring District Health Board performance
- to ensure a streamlined, effective and efficient health and disability system by reducing waste and bureaucracy, and improving productivity
- to complete outstanding actions in the establishment of the National Health Board business unit and address relevant Ministerial Review Group recommendations
- to ensure there are effective decision-making processes to assign responsibility to the appropriate level (national, regional, local) for managing the planning and funding arrangements for the delivery of health and disability services

A work programme detailing programmes and projects to support Outcome 2 will be provided to the Minister of Health in the Ministry's output plan for the 2010/11 financial year. The Ministry's *Annual Report* to Parliament will outline the Ministry's progress in achieving this organisational outcome and will include details of the Ministry's contribution to achieving the Government's priorities, Health Targets, key work items and major achievements against its output plan.

Outcome 3: People receive better health and disability services

What are we seeking to achieve?

The Ministry is the Government’s primary advisor on health and disability policy. We work with clinicians, organisations in the health and disability sector and the international community to identify good practice. We use our funding and purchasing role to support the implementation of new and more effective health and disability services. We also monitor the delivery of publicly funded health and disability services to ensure these services are being delivered effectively and are meeting performance expectations and targets.

How will we demonstrate success in achieving this?

People receive better health and disability services	
Indicators – over the period of this SOI	Source
<p>Health status</p> <p>Increased health expectancy (67.4 years for males and 69.2 for females in 2006)</p> <p>Increased life expectancy (78.0 years for males and 82.2 years for females in 2006)</p> <p>Disability requiring assistance (9.7% for males and 11.1% for females in 2006)</p> <p>Improving mental health services using relapse prevention planning (90% of long-term clients have up-to-date relapse prevention plans in 2009)</p>	<p>These and other indicators are taken from the Health Indicator Framework reported in the Director-General of Health’s <i>Annual Report on the State of Public Health</i> included in the Ministry’s Annual Report tabled in Parliament</p>
<p>Quality and effectiveness</p> <p>Declining cardiovascular disease mortality (118.3 per 100,000 in 2006)</p> <p>Increase in cancer survival (five-year survival rates increased 5–6% for colorectal, breast and cervical cancer between 1997/98 to 2006/07 and increased over 12% for prostate; lung cancer shows small improvement over time)</p> <p>Decreased hospital readmissions (9% in 2007/08)</p> <p>Decreased hospital mortality (1.2% in 2007/08)</p> <p>Reduced smoking prevalence and tobacco consumption (21% of adult population in 2008)</p> <p>Reduced levels of obesity (24.8% of males and 26.0% of females were obese in 2006/07)</p> <p>Reduction in hazardous alcohol consumption (21.1% of surveyed adult drinkers had potentially hazardous drinking patterns in 2006/07)</p>	
<p>Equity and access</p> <p>Increased elective surgery discharges (129,769 in 2008/09)</p>	

People receive better health and disability services	
Indicators – over the period of this SOI	Source
<p>Government Health Targets</p> <p>Shorter waits for cancer treatment (radiation treatment within four weeks by December 2010)</p> <p>Shorter stays in emergency departments (95% patients admitted, discharged or transferred within 6 hours)</p> <p>Improved access to elective surgery (increase of 4000 per year)</p>	<p>The Ministry of Health reports on DHB achievements against Government Health Targets</p>

What will we do to achieve this?

The Ministry funds, supports and monitors improvement in the health system by:

- ensuring services are shaped around patients
- integrating care across service providers
- providing services closer to home
- enhancing collaboration
- funding, monitoring and prioritising to reduce waiting lists for critical services
- using evidence and research to ensure health services are effective and world class
- undertaking research and policy to support the smarter use of primary care
- supporting clinical leadership and input into decision-making
- maintaining partnerships with NGOs, providers, patient groups, iwi and others to deliver effective results
- undertaking research, including action research, policy and co-ordination aimed at improving services for whānau as part of Whānau Ora
- supporting and investing in whānau to be self managing.

Actioning Government priorities

The Ministry will focus its efforts on the key Government Health Targets of improved access to elective services, shorter waits for cancer treatments and reducing patient stays in emergency departments. Over the next three years the Ministry will also be driven by the key Government priorities of:

- improving the health and independence of older New Zealanders
- implementing Whānau Ora.

Improving the health and independence of older New Zealanders

The greatest area of projected growth in health spending is in the health and independence of older people. This reflects both the ageing of the population and the expectation that services will improve in quality over time. The Government is committed to: providing effective health care, improved front-line services, affordable and quality support services and greater dignity for older New Zealanders.

Additional funding was provided in 2009/2010 to support and retain nursing staff in residential care, which increased the subsidies for older people's residential care. Looking forward, more and better services that support older people to remain in their homes and a wider and more integrated continuum of care are the two broad directions for improving services. These will involve the Ministry advising on and supporting:

- the provision of a wider range of health services for older people in their homes and in residential care, including better and earlier deployment of community nurses to help prevent the need for acute hospital admission, and leveraging the better, sooner, more convenient primary care initiatives
- District Health Boards and providers in progressing the findings of the aged residential care review, which is looking at future demand and supply, service costs, alternative models of care and workforce
- better assessment of the needs of older people across the continuum of care
- working with the New Zealand Dental Association to develop educational resources and training to help those working with older people to care for their oral health needs
- strengthened monitoring of the aged residential care sector
- improvements to the range and quality of services for people with dementia.

Implementing Whānau Ora

The Government has made clear its intention to support Whānau Ora and has been informed in this by the Report of the Taskforce on Whānau-Centred Initiatives which was released in April 2010. The Ministry of Health will work with Te Puni Kōkiri (the lead government agency) and the Ministry of Social Development to implement government decisions on Whānau Ora over the coming years.

Whānau Ora places families in the centre and in control of achieving their own outcomes. While whānau will be self-managing, there will also be expectations on government services to deliver better results for New Zealand families. Supporting activity that is driven and shaped by whānau needs and aspirations will also require the health sector to work in a more seamless way with other parts of the social sector. A driver in the first stages of Whānau Ora implementation will be working across the three agencies to ensure better contracting practices, including the integration of contracts, and supporting providers to further focus on improving whānau outcomes.

Delivering the Ministry's work programme

In addition to the Ministry's work to support the Government's priorities and targets, we will also undertake the following work items:

- improve self-management by people with diabetes through initiatives in primary care practice development (courses for professionals in current best practice, better chronic kidney disease management, and piloting whānau ora models of chronic care management, including diabetes)
- shorten cancer waiting times for cancer treatment
- develop and implement nationally consistent approaches to cancer care
- implement a palliative care work plan to improve national consistency of palliative and end-of-life care
- improve the detection and care of people with Hepatitis C

- continue to monitor and support District Health Boards with the implementation of the Government’s reinvestment programme in child and adolescent oral health services, and explore opportunities for the more effective delivery of oral health care for older people
- support, maintain and make approved changes to the national collections and reporting systems
- purchase additional treatment capacity for methamphetamine addiction and implement training packages for those working with users; amend legislation to control the availability of precursors of methamphetamine; update the Alcoholism and Drug Addiction Treatment Act 1966; and develop a centralised website and new online resources and assessment tools
- integrate mental health and addiction care across primary care providers to provide services closer to home
- support disabled people to live in their own homes
- progress and support the actions in *Actioning Medicines New Zealand*.

A work programme detailing programmes and projects to support Outcome 3 will be provided to the Minister of Health in the Ministry’s output plan for the 2010/11 financial year. The Ministry’s *Annual Report* to Parliament will outline the Ministry’s progress in achieving this organisational outcome and will include details of the Ministry’s contribution to achieving the Government’s priorities, Health Targets, key work items and major achievements.

Outcome 4: The health and disability system and services are trusted and can be used with confidence

What are we seeking to achieve?

The Ministry wants people to use health and disability services with trust and confidence. The Ministry also wants to provide New Zealanders with advice and information they can trust in order to help them better manage their own health needs. As a regulator and enforcement agency, the Ministry will ensure the regulatory framework is sufficiently robust so that people can trust the services they receive from regulated health and disability service providers. The Ministry will use its funding, purchasing and monitoring role so that people can have trust and confidence that the health and disability services are available to them when and where they need them, and are trustworthy and of a high quality.

How will we demonstrate success in achieving this?

The health and disability system and services are trusted and can be used with confidence	
Indicators – over the period of this SOI	Source
<p>Patient-centredness and responsiveness</p> <p>Maintain or improve patient engagement (62% of surveyed patients were told about treatment options and are involved in decisions and 43% received a written plan to manage care at home in 2008)</p> <p>Timely access to medical care (54% of surveyed respondents were able to access same-day care and only 8% have to wait longer than six days or never able to get an appointment)</p>	<p>These and other indicators are taken from the Health Indicator Framework reported in the Director-General of Health's <i>Annual Report on the State of Public Health</i> included in the Ministry's Annual Report tabled in Parliament</p>
<p>Perceptions</p> <p>New Zealanders and health professionals have confidence in the health system and services (Kiwis gave health services and systems an overall quality service score of 69 in 2009. Thirty-four percent of doctors in primary care thought the system worked well in 2006 and public confidence in obtaining high-quality and safe care when needed was similar to levels found in the United Kingdom, United States and Australia in 2004)</p>	<p>Surveys such as the Kiwis Count Survey and the Commonwealth Fund survey show whether New Zealanders and New Zealand health professionals have confidence in health services and system</p>

What will we do to achieve this?

The Ministry uses its policy, regulatory and leadership roles as primary funder, advisor and regulator of the health system in New Zealand to promote trust and confidence in the health system and services. As such, the Ministry ensures the health system is well regulated, effectively monitored and appropriately funded to promote trust and confidence. This includes:

- using evidence, international connections and good practice models to ensure New Zealanders receive the best health care and advice possible
- ensuring providers of medicines, health services, products and practitioners are effectively regulated and can be used with confidence
- improving New Zealanders' confidence in being able to access health care by addressing waiting times, particularly for services such as elective surgery, cancer treatments and emergency services
- ensuring patients, whānau/families, taxpayers and health providers can have confidence in the health system and its services
- stopping or preventing unsafe practices relating to health and disability as quickly as possible.

The Ministry will also support the implementation of a new Health Quality and Safety Commission. The Commission will drive improvements in quality and safety across the health and disability system. Quality and safety are both important contributors to public trust and confidence in the health and disability system and services.

Actioning Government priorities

The focus of our efforts over the next three years will be driven by the key Government priority of improving quality in the health and disability system.

Delivering the Ministry's work programme

In addition to the Ministry's work to support the Government's priorities and targets, we will also undertake the following key work items:

- work with the health sector to promote hospital productivity by improving efficiencies, reducing waste in the health system, and resourcing front-line activities
- maintain the integrity of sector payments systems and processes, and ensure they are fit for purpose into the future
- support, maintain and make approved changes to payments and funding systems for providers and users of the health system
- evaluate services on an outcome basis, provide advice on improvements and deal effectively with complaints
- develop legislative proposals to regulate natural health products and modernise aspects of therapeutic product regulation.

A work programme detailing programmes and projects to support Outcome 4 will be provided to the Minister of Health in the Ministry's output plan for the 2010/11 financial year. The Ministry's *Annual Report* to Parliament will outline the Ministry's progress in achieving this organisational outcome and will include details of the Ministry's contribution to achieving the Government's priorities, Health Targets, key work items and major achievements.

Managing in a Changeable Operating Environment

The operating environment

In order to deliver high-quality services more efficiently, we need to be aware of factors in our operating environment that affect the way health and disability services are planned, monitored and delivered. The key challenges are listed below.

- **Population ageing:** this will substantially increase the demands on the health and disability system, and at the same time there will be a decline in the proportion of the population that is of working age. Other things being equal, this means that increasing health costs will have to be borne by relatively fewer working-age taxpayers.
- **An ageing health and disability workforce:** our health workforce is highly skilled, highly professional and dedicated, but like other nations we suffer from a shortage of health professionals. Staff shortages are affecting the safety and viability of some specialist services in some regions, and in the past have contributed to service failures that undermine public trust and confidence in the health and disability system. These workforce pressures are likely to intensify unless we get better at training, recruiting and retaining the health workforce we need.
- **Increasing expectations:** like the populations of other developed nations, New Zealanders will expect the health and disability system to deliver an increasing range of services and treatments, tailored to being increasingly person-centred. In the near future a range of high-profile but expensive new medical technologies will also pose a particular challenge.
- **Increasing numbers of people with chronic conditions:** conditions such as heart disease, cancer, diabetes and tobacco-related disorders account for 80 percent of early deaths. Chronic conditions continue to have a disproportionate effect on people on low incomes, and on Māori and Pacific people. Māori and Pacific life expectancy still remains lower than that of the wider population.
- **Fragmentation and differences in service performance across the devolved health and disability system:** with responsibility split among 20 District Health Boards, effective co-ordination of service planning and delivery has proven difficult to achieve. This is reflected in the present fragmented service provision, differences in access between services and across regions, and considerable variation in performance against national indicators and targets.
- **Growing Māori and Pacific populations:** the fast-growing Māori and Pacific populations raise significant challenges for New Zealand health and disability services. The poorer health status and younger age structure of Māori and Pacific populations will require targeted interventions in order to meet the overall goal of all New Zealanders leading longer, healthier and more independent lives.
- **Environmental and infectious disease:** threats continue to emerge internationally, and these threaten the health and wellbeing of New Zealanders. For example, HIV has spread across the globe – including in New Zealand – over the past three decades. New Zealand has also had to deal with an international outbreak of SARS in 2003 and the current influenza pandemic. This trend of rapid and unexpected outbreaks of disease is likely to continue.

1 Source: Ministry of Health. 2008. *Health and Independence Report 2008*. Wellington: Ministry of Health.

It is important to acknowledge and address these challenges. The nature of these challenges also help explain why the Ministry's intermediate outcomes focus on system and service improvements, as well as promoting and protecting health and promoting trust and confidence in systems and services. It is equally important to acknowledge that, on many high-level indicators of health, New Zealand performs well and ranks highly in relation to other OECD countries. Life expectancy has consistently risen over recent decades, and New Zealanders in all ethnic groups are living longer – and longer in good health – than ever before. Rates of cancer survival have increased significantly, infant mortality has fallen, and deaths from cardiovascular disease have dropped by around 30 percent.¹ The proportion of smokers in the population recently fell below 20 percent for the first time since records began in 1976. Many of these improvements have been built on the professionalism and dedication of our health workforce.

Risk management framework

The key objectives of risk management at the Ministry are to ensure:

- everyone within the Ministry knows what their responsibility is regarding risk management
- the Ministry's reputation and image are protected and maintained at the highest standard
- risk management is an integral part of management's focus, and senior management can confidently articulate risk status and strategies across the Ministry
- risk management is continuously reviewed and improved
- internal and external stakeholders are confident the Ministry manages risk within acceptable levels.

A new risk management standard was recently introduced (Australia New Zealand International Standard ISO 31000:2009). A project is under way to update the Ministry's Risk Management Framework to comply with the new standard and to ensure the framework supports the achievement of the Ministry's risk management objectives.

The Ministry is a large organisation, with a diverse range of responsibilities and objectives, and therefore faces a range of day-to-day and strategic risks. The aim of the risk management system is to ensure that all risks are identified and managed appropriately so that business objectives and potential opportunities are realised. Mitigation strategies are varied, depending on each individual risk, and can include both existing practices and future actions.

Each of the Ministry's directorates, and the National Health Board business unit, has a nominated risk administrator, who facilitates the co-ordination and administration of risk reporting within the directorate on behalf of the relevant Deputy Director-General, and, in the case of the National Health Board, the National Director. Deputy Directors-General and the National Director of the National Health Board are responsible for ensuring information about their directorates' risks is up to date within the Ministry's Risk Register. They also provide the Director-General with monthly risk reporting. Directorates' risks are incorporated into their monthly report to the Executive Leadership Team, with any key risks highlighted. The Executive Leadership Team also discuss any organisational or strategic-level risks.

The Ministry has an Audit Finance and Risk Committee to advise the Director-General and the Executive Leadership Team on the quality of financial and performance reporting, risk management and audit functions, as well as the establishment and enforcement of financial policies and business practices and the Ministry's compliance with significant legal and regulatory requirements.

The Ministry's Risk and Assurance team, through their internal audit role, provides senior management with independent assurance and information on the governance and stewardship of the Ministry and is confident it is effectively managing operational risks and has the necessary policies, practices, procedures and controls in place to reduce operational risks to acceptable levels.

Emergency preparedness

The Ministry has specific statutory and non-statutory emergency preparedness obligations, which require it to:

- be capable of continuing to function to the fullest extent possible in an emergency affecting its operations
- have the capability and capacity to respond in an emergency with health implications, as required
- provide leadership and co-ordination for the health sector in planning and preparing for, and responding to, a health emergency
- lead the all-of-government response to a national health emergency, such as a pandemic.

The emergency preparedness work programme is strongly focused on increasing the capability and capacity of the health sector to deal with health emergencies. The Ministry maintains strong links with other government agencies in delivering its emergency management responsibilities.

In 2009 the Ministry of Health co-ordinated New Zealand's response to the H1N1 Influenza Pandemic. The Ministry also helped co-ordinate New Zealand's contribution to international relief efforts in a number of overseas disasters.

The Ministry is confident both it and the health sector as a whole can meet their statutory and non-statutory emergency preparedness obligations.

Assessing Organisational Health and Capability

The priorities in this area are:

- building an organisational culture that supports and drives the Ministry's attainment of its strategic objectives
- ensuring the Ministry has the right structure and level of resourcing to support the operating intentions and Government priorities
- ensuring staff have the right skills to be able to do their job well, including an increased focus on leadership development
- ensuring the Ministry has the systems and processes in place to enable staff to operate effectively at work.

Improving capability and performance

Attract, develop and retain the right people

The Ministry is focused on attracting, developing, deploying and promoting appropriately skilled and engaged employees to deliver on its work programme. The Ministry is introducing the Lominger competency framework to support the work to improve leadership and capability within the organisation. A remuneration review, due for completion in 2010, will further align the Ministry's remuneration system with our culture and strategic goals.

The Ministry is also focused on the importance of building leadership capability as a key contributor to this. We will continue to implement and build on the success of the leadership initiatives commenced in 2009/10.

The Ministry will continue to measure its success in this area, including through the Gallup Employee Engagement Survey (see below) and other human resources measures such as staff turnover, effectiveness of training and performance planning.

Culture, including staff engagement

The Ministry recognises that a strong and robust organisational culture best enables strategy. This is why it is focused on building a culture that provides staff with clarity about what is expected of them at work and what it is like to work at the Ministry. The Ministry aims to have better-engaged staff who are enthusiastic and committed to the work they do, thereby ensuring the Ministry is better able to deliver on its strategic goals.

The Ministry also recognises that staff who are better engaged are also more productive, committed and deliver better services. Because of this, the Ministry is regularly assessing the level of staff engagement using the Gallup Employee Engagement Survey. This tool is used by a number of public sector agencies in New Zealand and by a range of private and public organisations internationally. The Survey measures how engaged staff are. The Ministry will continue to prioritise the Gallup Employee Engagement Survey in its work programme and will survey its staff each year, with the next survey in September 2010. The results will enable leaders to continue to work on addressing areas of concern identified in the 2009 survey.

Relationships

The Ministry recognises the importance of building relationships, both within the Ministry and within the public sector and health sector. To that end, the Ministry focuses on implementing initiatives via the Capability Work Programme, which educate staff and connect them in a common purpose. It also partners the health sector in order to build performance across the health system. It is focused on leading the health system in initiatives that will improve the health of all New Zealanders.

Investing in our tools and infrastructure

The Ministry recognises that keeping up to date with its tools and infrastructure is critical to delivering on its strategic goals. To that end the recommendations of the Ministerial Review Group concerning the establishment of an information support function dedicated to maintaining and enhancing Ministry systems is being adopted. This will ensure that work that has commenced on critical organisational systems is delivered. The Ministry also ensures that the health and disability legislative framework is kept up to date and supports the evolving improvement of the system.

Structure

The Ministry will implement a new structure to better support the Government's reforms and deliver on key priorities. The significant amount of change occurring within the Ministry may create short-term organisational pressures and risks. However, the Ministry will manage any risks and pressures as part of a structured change process. Longer term, these organisational changes will enhance the Ministry's performance and ability to deliver on key priorities.

Measures and standards for organisational health and capability

The Ministry will undergo a considerable amount of change over the next year. These changes will help the Ministry to improve the way it works to support Government priorities, including:

- setting the strategic direction and aligning with this strategy
- improving decision-making
- having clearer, more focused leadership
- working together better
- the quality of advice and responsiveness
- clarifying roles and functions, and eliminating unnecessary duplication
- improving our systems and processes to support our work.

The Ministry is also mindful of the need to improve its organisational health and capability and will use the following measures to monitor its performance in this area.

Organisational health and capability	
Indicator	Standard
Gallup Employee Engagement Survey results improve	Improvement on 2009/10 results
Successful implementation of the agreed remuneration framework recommendations (independently reviewed)	Achieved
Successfully complete an annual leadership programme (independently reviewed)	Achieved
Effectiveness of training	> 80%
Staff have performance and development plans in place	> 95%
Voluntary turnover as percentage of total staff	< 12% per annum

Equal employment opportunities

The Ministry recognises the importance of ensuring equal employment opportunities in all aspects of its operations, from the provision of policy advice, to the implementation of work programmes and providing support to enable these to occur. We acknowledge the importance of creating a culture in which people share ideas, and both contribute to and are exposed to different skills and perspectives.

Departmental Capital and Asset Management Intentions

The Ministry is responsible for contract, payment, collection and coding applications that District Health Boards and the wider health sector depend on. The Ministry upgrades and replaces information systems and their supporting hardware to ensure compliance requirements are met, systems are operating efficiently, and fully depreciated assets are replaced. These asset replacements and upgrades are necessary to provide the tools for the Ministry to carry out its functions to support the health sector.

An assessment of condition and functionality indicates there are a number of mature core health data and management systems in declining condition, implemented on obsolete technology and reliant on short-term work-around solutions. The utilisation and availability of these systems is high because they are critical to the continued operation of payment, collection and coding operations within the health sector.

These sub-standard systems have been assessed as requiring upgrading or replacement over the next four years.

Table 2: Fixed asset purchases

Fixed assets	Fixed asset purchases					
	2009/10 Supplementary Estimates \$000	2009/10 Estimated Actuals \$000	2010/11 Budget \$000	2011/12 Budget \$000	2012/13 Budget \$000	2013/14 Budget \$000
Non-residential buildings	0	0	10	10	10	10
Plant and equipment	403	403	300	250	250	250
Computer hardware	2,405	2,405	2,500	2,500	2,500	2,500
Vehicles and vessels	28	28	200	100	100	100
Furniture and fittings	884	884	300	200	200	200
Total fixed assets	3,720	3,720	3,310	3,060	3,060	3,060
Intangibles	13,545	13,545	15,000	15,000	15,000	15,000
Total fixed asset purchases	17,265	17,265	18,310	18,060	18,060	18,060

The Ministry's strategy is to modernise core health data and management systems by upgrading/ replacing information systems and their supporting hardware. This will be done through the Ministry's level of investment over the next four years to 2013/14 on intangible assets comprising computer software, systems and databases, to support District Health Boards and the wider health sector.

The strategy will take into account improvements in technology, changes in population and increases in service provision in order to ensure Ministry outcomes and goals are met. This will be done by optimising capital infrastructure development through the alignment of capital investment with national, regional and local service priorities and new models of care. Priorities, such as primary health care, quality improvement and fiscal sustainability, provide the focus for the Ministry's capital intentions. Payment systems will be upgraded to improve reliability.

These improvements will contribute to the Ministry's outcomes of improving the health system and health services, with the construction and support of data and management systems that will:

- improve performance and co-ordination within the health sector
- support better decision-making and service delivery
- provide a more patient-centred approach to health information management
- provide faster dissemination of best practice through well-developed information systems.

The capital intentions are able to be funded within existing baselines and it is not intended that further funding be sought to achieve the Ministry's proposed capital strategy.

Performance Improvement Actions

The Ministry has identified four key performance improvement actions it will focus on over the short to medium term to improve its performance and promote improved performance in the health and disability sector.

A leaner and focused Ministry			
Objectives	Actions	Deliverables-Timing	Impact-Measures
Ensure the Ministry has the right number of people with the right skills to operate effectively and efficiently	The Ministry will continue to reduce its staffing from 1475 (as at 30 June 2009) to agreed target of 1290 full-time equivalents (FTE)	Achieve FTE staffing level of 1390 by 30 June 2010 and 1290 by 30 June 2011	Resources freed up for frontline priorities within the health sector Contribution to \$5 million reduction in 2010/11 Departmental Expenditure budget
	Ensure the Ministry's capability through its remuneration framework, leadership development and staff engagement supports high performance and focused delivery of government priorities	Ongoing programme	Recruiting and retaining the right people and leadership and keeping staff motivated and engaged to deliver performance

System leadership and financial management and sustainability			
Objectives	Actions	Deliverables-Timing	Impact-Measures
Improving leadership of the health and disability system to improve performance	Operate and ensure the ongoing development of the National Health Board business unit (including Health Workforce New Zealand and the IT Board) within the Ministry of Health, the performance of which is to be monitored and overseen by the National Health Board	Agreed work programme, as integral element of the Ministry of Health Output Plan by 30 June 2010 – with specific deliverable milestones for 2010/11	Delivery of enhanced planning, funding, performance accountability arrangements A stronger performance monitoring approach that results in being able to clearly demonstrate health and disability services are being delivered nationally, regionally and locally with improved efficiency and effectiveness
	Enable the establishment of the Shared Services Agency and the Health Quality and Safety Commission, and provide ongoing, active monitoring and – where necessary – support, thereafter	Oversee development of Minister-endorsed organisation business plans by 30 June 2010, following Cabinet agreement on Board functions in May 2010	Bodies established with Minister-endorsed plans, PIAs and KPIs for 2010/11 Implementation and delivery of PIA impacts, operational savings and demonstrated quality improvements

System leadership and financial management and sustainability (continued)

Objectives	Actions	Deliverables-Timing	Impact-Measures
	<p>Monitoring implementation of DHBs' performance improvement actions – to achieve financial security, improve productivity and quality and enhance regional co-operation</p> <p>Proactive performance improvement interventions where material performance issues arise</p>	<p>Monthly reports on performance progress to Minister during 2010/11</p> <p>Active performance improvement support provided as required</p>	<p>Ministers are well-informed about DHB performance against plan throughout the year – no surprises</p> <p>DHBs have the capability and capacity they need to achieve their agreed performance targets – including reduction and elimination of deficits over time</p>
	<p>Implementing Hospital Productivity and Quality Programme (HPQP) – focused on improved ward performance, theatre utilisation and day surgery</p>	<p>Ensure broad sector agreement to implementing the HPQP by 30 June 2010</p> <p>Deliver actions reflected in the work programme during 2010/11</p>	<p>Improved productivity and quality in accord with accepted DHB DAP targets for ward stays, day surgery, theatre utilisation and acute unplanned readmission</p>
<p>Keep health and disability sector employment relations outcomes aligned within funding and delivery expectations</p>	<p>Support DHBs in their development of a national employment relations (ER) strategy and specific bargaining strategies that are within acceptable funding parameters: Support successful DAP delivery and meeting of the Government's expectations for pay and conditions in the State sector</p>	<p>Consultation and/or feedback (as required) supports DHBs' delivery of ER and bargaining outcomes that are consistent with DAP delivery and the Government's expectations</p>	<p>DHBs are supported to manage ER cost pressures within funded parameters</p>
<p>Regional planning and improved decision-making</p>	<p>Develop regulations and accountability mechanisms to enable the Minister to guide DHBs towards improved collaboration in the planning and funding of clinical services, and in the production of regional clinical services plans</p>	<p>Drafting and support for passage of legislation – according to the Government's timetable (drafting by May 2010)</p> <p>DHBs deliver draft regional service plans by 30 September 2010 that comply with policy expectations</p>	<p>Better co-ordinated planning across the health and disability system at a regional level</p> <p>Meet minimum Operational Policy Framework expectations</p>

System leadership and financial management and sustainability (continued)

Objectives	Actions	Deliverables-Timing	Impact-Measures
	Develop a new framework to improve the alignment of service planning, workforce, IT plans and investment at national, regional and local levels	By November 2010 DHBs have clear frameworks and expectations to guide their planning for 2011/12	Clearer more effective decision-making and more effective planning

Bringing health services closer to home

Objectives	Actions	Deliverables-Timing	Impact-Measures
Supporting improvements to the delivery of primary health care	Facilitate the development and – where agreed with the Minister – the funding of Expressions of Interest (EOI) Business Cases, including the promotion of Integrated Family Health Centres	Work carried out over 2010/11 in accord with the agreed implementation plans	<p>Patients receive more convenient access to health services including some services currently provided in secondary care</p> <p>People receive better health and disability services through:</p> <ul style="list-style-type: none"> • better management of chronic conditions • increased access to diagnostic services and First Specialist Assessments • extended hours of service • promotion of Integrated Family Health Centres <p>Decreasing acute and emergency department demand in hospitals</p>
	Work with DHBs to rationalise the number of Primary Health Organisations	2010/11 and ongoing	<p>Reduced administrative costs and gaining efficiencies</p> <p>25% reduction in number of PHOs by 30 June 2011</p>

Strengthening clinical workforce and leadership

Objectives	Actions	Deliverables-Timing	Impact-Measures
A strong clinical workforce actively engaged in decision-making	Support the establishment of clinical networks for involving clinicians in decision-making	Improve opportunity for support for clinical leadership and clinical input into decision-making during 2010/11	Five national or nationally co-ordinated clinical networks established
	Support the development and operation of Health Workforce New Zealand business unit	Increased training positions Voluntary bonding scheme The '3R' scheme implemented and operational	Increased training for first year GP training – 154 positions Number of target enrolees per annum in voluntary bonding is achieved (350) Number of special engagements that are awarded (number to be set) Improved levels of workforce retention, repatriation and recruitment

Additional Information

The Minister of Finance has not specified any additional reporting requirements.

Additional Statutory Reporting Requirements

The Health Act 1956 requires the Director-General of Health to report annually on the state of public health. This report is included in the Ministry's *Annual Report* to Parliament.

The Health Act 1956 requires the Director-General to report before 1 July each year on the quality of drinking-water in New Zealand.

The New Zealand Public Health and Disability Act 2000 requires the Minister of Health to report annually on the implementation of the New Zealand Health Strategy and the Quality Improvement Strategy.

Appendix One: The Legal and Regulatory Framework

Legislation we administer

The Ministry of Health administers the following Acts:

- Alcohol Advisory Council Act 1976
- Alcoholism and Drug Addiction Act 1966
- Burial and Cremation Act 1964
- Cancer Registry Act 1993
- Children’s Health Camps Board Dissolution Act 1999
- Disabled Persons Community Welfare Act 1975 (Part 2A)
- Epidemic Preparedness Act 2006
- Health Act 1956
- Health and Disability Commissioner Act 1994
- Health and Disability Services (Safety) Act 2001
- Health Benefits (Reciprocity with Australia) Act 1999
- Health Benefits (Reciprocity with the United Kingdom) Act 1982
- Health Practitioners Competence Assurance Act 2003
- Health Research Council Act 1990
- Health Sector (Transfers) Act 1993
- Human Assisted Reproductive Technology Act 2004
- Human Tissue Act 2008
- Intellectual Disability (Compulsory Care and Rehabilitation) Act 2003
- Medicines Act 1981
- Mental Health Commission Act 1998
- Mental Health (Compulsory Assessment and Treatment) Act 1992
- Misuse of Drugs Act 1975
- New Zealand Council for Postgraduate Medical Education Act Repeal Act 1990
- New Zealand Public Health and Disability Act 2000
- Radiation Protection Act 1965
- Smoke-free Environments Act 1990
- Tuberculosis Act 1948.

The Regulations we administer can be accessed on the Ministry of Health website at <http://www.moh.govt.nz>

Full, searchable copies of this legislation and associated regulations we administer can be found on <http://www.legislation.govt.nz>

Other regulatory roles and obligations

In addition to administering legislation, key personnel within the Ministry have specific statutory powers and functions under various pieces of legislation (eg, the Directors of Public Health and Mental Health).

The Ministry also has certain statutory roles and relationships defined in other legislation, including:

- Biosecurity Act 1993
- Civil Defence and Emergency Management Act 2002
- Education Act 1989
- Food Act 1981
- Hazardous Substances and New Organisms Act 1996
- Litter Act 1979
- Local Government Act 2002
- Maritime Security Act 2004
- Problem Gambling Act 2003
- Prostitution Reform Act 2003
- Sale of Liquor Act 1989
- Social Security Act 1964
- Waste Minimisation Act 2008.

International compliance

The Ministry also helps the Government comply with certain international obligations. It achieves this by supporting and participating in international organisations such as the World Health Organization, as well as ensuring New Zealand complies with particular international requirements such as the International Health Regulations (2005) and Framework Convention on Tobacco Control.

