

Hospital Services Plan

**Securing better hospital services
into the future**

**Hon Bill English
Minister of Health**

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Minister's Foreword

I have listened for several years to public concerns about our hospitals. New Zealanders want certainty about their health services. They want to know what they can expect from the public health service and that it will be there when they need it.

This Hospital Services Plan provides both certainty and security about our public hospitals.

It sets out a clear picture of how hospital services are organised nationally. The country's hospitals are ranked according to the range and type of services they provide, and the Plan spells out where each hospital sits in that system.

In order to give communities more certainty, the Government commits to maintaining the current distribution of services for three years.

However, this does not mean that we should stop looking at better ways of delivering care within the current framework. Integrated care initiatives, changes to clinical practice, and the need to keep making efficiency improvements, all mean that change will continue.

Our commitment is to better care and service for New Zealanders who are ill or injured. This means ensuring that we continue to have a network of hospitals within a reasonable distance of people's homes.

We have in the last five years invested \$920 million rebuilding New Zealand's public hospitals. We plan to invest up to \$1 billion more over the next three years. The Government is committed to an ongoing investment in our hospitals to ensure a modern hospital system well able to meet the health needs of New Zealanders now and into the new millennium.

Our communities are fiercely supportive of their health services. I want to make that support a positive force for better health care.



Hon Bill English
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Executive Summary

Setting the scene

Modern developments in medicine, information technology and telecommunications are transforming New Zealand health care. People now expect more too, and their needs are changing.

The current health structure contains all we need to respond positively to these opportunities and pressures. From now on change will be evolutionary.

Future changes will most likely originate from the local perception of local needs. The Government is open to the idea of using whatever providers and facilities communities think will best suit them. Our modern health structures now provide that freedom to innovate.

The Hospital Services Plan responds to the need for greater certainty about hospital services. It is part of the Government's general health strategy, which is motivated by the ideal of timely access to quality, cost-effective health care for all New Zealanders.

Our public hospitals are an integral part of the Government's vision for health care which puts communities' needs first. This Government has invested \$920 million over the last five years modernising our public hospitals. We plan to invest up to \$1 billion more over the next three years.

The current distribution of services will be maintained for the next three years.

In this Hospital Services Plan, people can see clearly where their hospital services are and how they fit together.

Objectives and ways we are achieving them

Five objectives need to be considered and balanced when planning hospital services.

Initiatives to improve **timely access** to hospitals include:

- A 24-Hour Clinically Integrated Acute Management System. This is being developed by the Government in consultation with health care providers. Its aim is 'the right care at the right time and in the right place'.
- The PRIME (Primary Response in Medical Emergencies) scheme. The scheme funds rural doctors and nurses to attend accidents, and also supplies special training, emergency equipment and supply kits.
- Booking systems and explicit criteria for measuring need. These are being introduced to make sure that elective surgery is available to those who most need it when they need it.

The Government is committed to having **safe, quality hospital services**.

- For each hospital, a wide range of factors is considered, including feedback from individual doctors, reviews of professional competence, consumer feedback and clinical audits, volumes of procedures and the population base, 'critical mass', co-location with support and other services, and staffing levels.
- The Government is making changes to the health and safety legislation which is out of date and inflexible. The current licensing regime for hospitals, rest homes and people with disabilities will be replaced with a new regime aimed at ensuring safety and quality while still allowing for innovation and the spread of good ideas.

There are many different ways of looking at **fairness across the country** and it is impossible to meet all these factors equally and simultaneously.

For example, sometimes the need to provide 24-hour cover means that people in rural areas have more money spent on their services than those in urban areas. The Government is willing to support extra spending in some areas so that access, safety and quality are maintained, especially for smaller communities.

We must keep striving to provide the best **value for money**. Funding the most efficient services frees up money to provide more health care where it is needed more, for example on more elective surgery or preventative measures.

However, in working towards greater efficiency, we must not overlook the importance of having quality services, and access to them.

The Government is already **acknowledging the special needs of rural and provincial communities** as a significant premium is paid to support rural hospital services. We will continue to do so if other services cannot be reached within an acceptable time.

A fresh approach to providing sustainable access to services is evident in the many new health centres around New Zealand.

Other Government initiatives affecting hospital services

Two other Government initiatives creating greater flexibility and more options for providing hospitals services are:

- **Integrated care initiatives.** These shift the focus to the needs of the patient, requiring providers to work together in new ways for this common goal. There are currently more than 30 integrated care initiatives throughout the country, of varying scopes.
- **Legislation affecting the health workforce.** This is being examined to see if health professionals can work in new areas, in more flexible ways, and in ways that meet community needs more closely. Proposed prescribing rights for nurses is one such example.

The framework

The framework ranks hospitals into five categories according to the complexity of the procedures they carry out and the type of emergency care they provide. They are health centres, sub-acute units, secondary hospitals, lower level tertiary hospitals, and higher level tertiary hospitals. Timely access to appropriate services requires an efficient network of retrieval, stabilisation and transfer between these facilities.

Maps set out where the different services are currently provided.

Particular issues

Some smaller hospitals have problems affecting service quality, for example, difficulties recruiting medical staff. Some provide services that are costly because of the low numbers of patients being seen.

We need to consider ways to organise the services for better service quality and better value.

The Government wants to reassure our smaller communities their hospital services are not under threat. We will consult with affected communities to work out the best solutions to these issues of quality and value.

Some large urban centres are straining to meet the needs of growing populations.

Listening to communities

Centrally imposed plans are no substitute for the creativity and motivation of those who know local circumstances.

The Government will work with communities, health care providers and other key groups over the next three years to address how best we can ensure quality, safety and access to our hospital services.

Details are provided for those who wish to make comments.

