

<b>Primary Workings:</b> <b>The Primary Health Care Strategy electronic newsletter</b>	October 2006 <b>Issue: 1</b>
---	---------------------------------

Welcome to the first issue of *Primary Workings* which will provide regular updates on how we're making real the Primary Health Care Strategy (PHCS). We would welcome your suggestions or feedback to help us improve the content and circulation. We are also looking for a permanent name for the newsletter so any thoughts would be helpful.

## **In this issue ...**

[What's happening ?](#)

[What's on our to do list?](#)

[How you can help](#)

[Keeping it all on track](#)

[Project profile: Reviewing the funding formula](#)

## **What's happening?**

Many of you will have participated in a series of meetings in April this year discussing the work involved in the next phase of putting the Primary Health Care Strategy into action. The feedback we received for our *Next Steps* helped inform our plans. A summary of the feedback was published in July at: <http://www.moh.govt.nz/primaryhealthcare>.

The projects involved in these next steps are now getting underway and the processes underpinning them are now being formalized. A project list and contacts is attached.

## **What's on our to do list?**

The foundations for the Primary Health Care Strategy are now largely in place - with PHOs, patient registers and new funding arrangements all established. We're aware of a significant number of great initiatives that are already taking advantage of the new arrangements under the Primary Health Care Strategy.

The next step in the strategy is to shift from establishment to meeting the key goals of the strategy – and making a difference to health outcomes. Our efforts will now be focusing on reducing health inequalities, engaging communities, and improving the prevention and management of chronic conditions.

The PHCS Implementation Work Programme helps provide that focus on the key goals for 2010. The four key areas for national policy and coordination are:

- Funding and Accountability
- Service Development
- Infrastructure and Sector Development, and
- Change Management

The programme was developed over the last year. Key stages were:

- Project initiation and development of an initial working document, Sept 2005 – March 2006
- Working document release (see [www.moh.govt.nz/primaryhealthcare](http://www.moh.govt.nz/primaryhealthcare)) with road shows, April 2006 – May 2006
- Work Programme finalised - incorporating feedback July 2006 (see *Next Steps* at [www.moh.govt.nz/primaryhealthcare](http://www.moh.govt.nz/primaryhealthcare))
- Funding confirmed and programme manager recruited, July 2006
- Programme established and project managers recruited, Aug – Sept 2006

As we progress there will be more ways to be involved and engaged in the work programme and helping realise our vision of the “new way of working”.

## How you can help

The *Next Steps* document released in July asked for people to register their interest to be involved in the various project workstreams.

A large number of people have registered. Your active involvement is crucial to ensure we reflect the wide range of health professionals and health workers involved in the delivery of primary care and generate workable solutions and solutions that will be supported.

In some areas, projects are now well underway involving those who registered their interest (see the spreadsheet attached). In other areas we have yet to begin work or determine how to best involve all those who've registered interest. If you have registered and we've yet to contact you please be patient as your involvement will come at a later stage in the project through workshops and other activities.

If you haven't yet registered your interest and would like to do so, please contact Kim Arcus, Programme Manager of the Implementation Work Programme ([kim.arcus@dhbnz.org.nz](mailto:kim.arcus@dhbnz.org.nz)).

## Keeping it all on track

The group responsible for ensuring the work programme overall stays on track is the Primary Health Care Strategy Implementation Group (PHIG).

PHIG's role is akin to a steering group and is to ensure the effective delivery of the four workstreams within the Work Programme. Their job is to keep programme's workstreams on target, manage the programme's scope, mitigate risks, and ensure the sector is engaged.

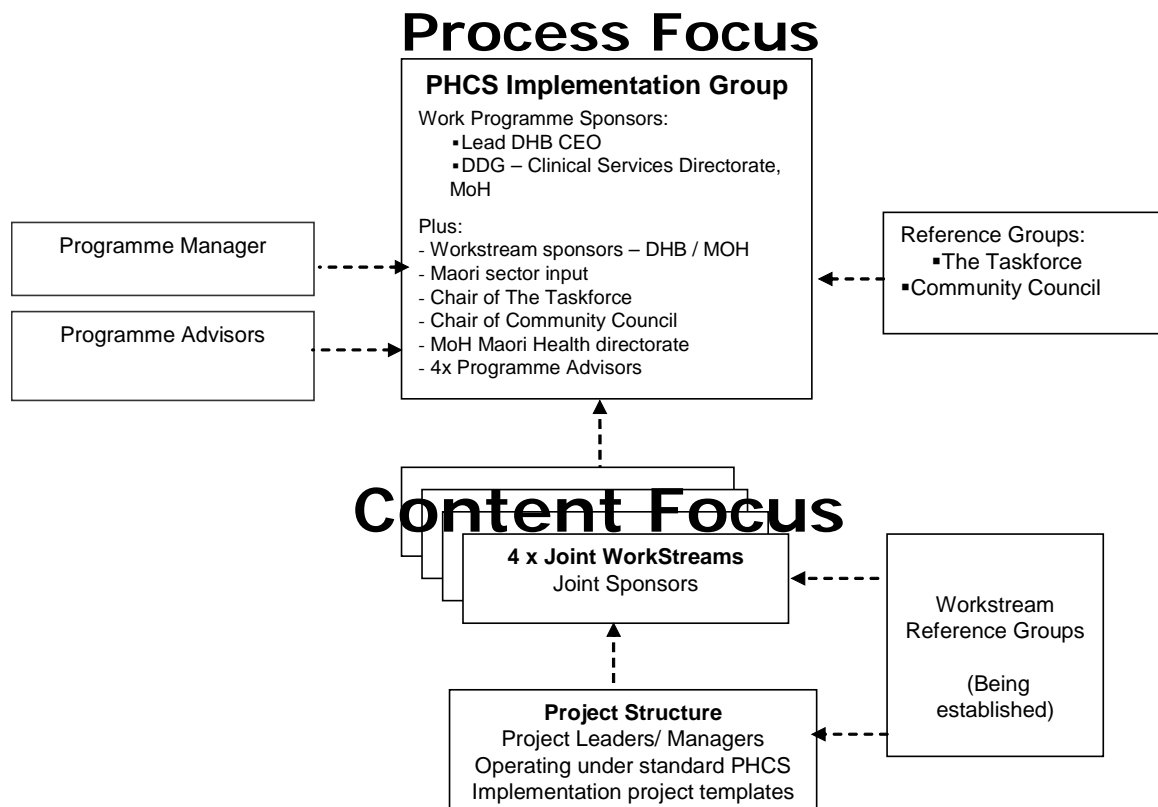
A major part of PHIG's work will be to concentrate on process rather than content. The development of the content and any associated recommendations, proposals or guidelines will be the focus of the workstreams.

The PHIG's objectives, as expressed in their Terms of Reference, are:

1. To ensure the successful implementation of the work programme against agreed milestones
2. Agree and prioritise the inclusion of new projects into the PHCS Implementation Work Programme as issues are identified by the sector
3. Ensure active engagement and participation of all sector participants

To meet these objectives the PHIG membership largely contains workstream personnel and representatives from the PHO Taskforce and Community Council.

The engine room of the work programme is the individual workstreams and it is here that there is more concentrated sector involvement as they are the ones developing the project content.



## Project Profile: Reviewing the Funding Formula

The PHO Funding Formula Review is one of the early projects in Workstream 1. It is a key piece of work to ensure the funding formulae works as intended.

Compared with five years ago, public funding of primary health care is now through population or capitation based funding formulae rather than fee-for-service. This change represents a fundamental shift in how the primary sector is funded.

When the PHO funding formulae were implemented in July 2002, the Ministry of Health committed to reviewing them within three to five years to assess their appropriateness in light of actual PHO experience and patient need. The project to review the PHO funding formulae is now underway.

The key objectives of the review are to answer the following questions:

- Does it work? (assess the effectiveness of the current PHO funding formulae against the objectives of the Primary Health Care Strategy)
- Does it put funding where it's most needed? (review the variables used in the formulae to assess their suitability vis a vis alternative measures in terms of aligning funding to population health needs)
- Do we use a good measure of health need? (assess alternative measures of "health needs")
- Do we use the right formula for the right job? (review the mix of the different formulae for the different funding streams)
- How easily can we change formulae? (assess the financial, administrative and implementation implications arising from any recommendations concerning funding formula).

The Review is being conducted within a tight timeframe and will focus on three main patient services funding streams; First Contact, Services to Improve Access, and Health Promotion. The first stage of the review won't consider PHO Management Services and other funding streams.

The Review will only look at the existing funding formulae and won't be revisiting other funding mechanisms such as fee-for service or salary payment.

The project has a core working group as well as an expert advisory group (as outlined in the attached spreadsheet). The Expert Advisory Group will:

- Provide specialised input into the review
- Discuss issues and options to inform the review
- Assess and quality assure the outputs from the review
- Assist with communicating the objectives and outputs of the review to the primary health care sector.

The intention is to have the Review completed in time to present options to the Minister of Health before the end of 2006.

The project team will distribute a background paper later this month (October) seeking feedback on the funding formulae. If you would like to register your interest to be sent the background document please contact Neri Short ([neri\\_short@moh.govt.nz](mailto:neri_short@moh.govt.nz)).

Appendix 1 - Summary of PHCS Implementation Work Programme as at 6 October 2006

		Description of 2006/07 Activities	Sponsors	Project Manager	"Next Steps" Dec 2006 Deliverables	Status as at 6 October 2006	Current Sector Involvement Note: People participate on groups as experts or those with extensive experience and not as representatives of their organisations. Their affiliated organisations below are simply there to help people place the name.
Workstream 1 - Funding & Accountability	Review of Funding Formulae	To review the PHO funding formulae to ensure they work to meet health need (and not just past utilisation). The initial focus is on First Level Services, Services to Improve Access, and Health Promotion. A subsequent phase will look at the Management Fee. Care Plus funding will be considered within workstream 2.	Sarah Turner (MoH)  Win Bennett (HBDHB)	Richard Smith (MoH)	Funding Formulae Review Policy	Project scope & plan complete and signed off by PHIG. Initial analysis commenced. First advisory group scheduled for early October.	<b>Expert Advisory Group:</b> Petra Van den Munckhof (HCA), John Macaskill-Smith (Pinnacle, PHONZ), Margie Fepulai'i (CMDHB), Paul McCormack (Pegasus, IPAC), Prof Peter Crampton (Wgtn School of Med), Barry Gribben (CBG Research), Carolyn Gullery (Partnership), Neil Woodhams (TKOH) <b>Working Group:</b> Saskia Patton (MoH), Richard Smith (MoH), Andrew Mackenzie (MoH), Danny Wu (CMDHB), Julia Carr (CCDHB), Paul Baines (NDHB) <b>Broader involvement</b> later in Oct/Nov
	2007 Funding Rollout	To ensure the operational and policy aspects of the increase in subsidy for patients in Interim practices in the 25-44 age band are implemented.		Deborah Donkin (DHBNZ contractor till Dec 2006)	Policy for 2007 Roll Out	Project manager started Sept 20. Draft project plan complete.	Largely through PSAAP
	Operational Policy	To agree some high level principles around roles and tasks largely between MoH and DHBs. Subsequent step will be to apply those principles to some key areas (eg signoff of SIA and HP plans).		Ruth Wiltshire (DHBNZ Contractor)	Agreement re policy/ mechanisms for transfer of roles from MoH to DHBs and guidelines for devolution of SIA & HP sign-off	Project plan has been scoped for SIG review and PHIG signoff during early October.	To be established
Workstream 2 - Service Development	PHCS Capability (Previously High Performing PHOs)	Two Projects: <b>1. PHCS Capability:</b> To describe the capabilities required of a competent PHO to implement the Primary Health Care Strategy. <b>2. Governance:</b> Initially to review the governance arrangements being employed by PHOs and their fit with the goals of the Primary Health Care Strategy. Then, if required, review the minimum criteria for PHOs.	Sarah Turner (MoH)  Allan Moffitt (CMDHB)	PHCS Capability: Stephen Jacobs (MoH)  Governance: Hannah O'Donnell (MoH)	Policy options for high performing PHOs  Review of existing minimum criteria for PHOs  Clarity of policy settings & options re: Governance	<b>PHCS Capability:</b> Initial work has commenced on drafting up a straw man with working group. Looking for wider feedback at a workshop in Oct/Nov (TBC).  <b>Governance:</b> Initial survey of issues complete. Project plan on the process (and advisory groups) to be used to find solutions/actions to address the issues being drafted.	<b>PHCS Capability Working Group:</b> Roy Morris (ODHB), Jocelyn Tracey (PHOCUS on Health), Julia Carr (CCDHB), Eugene Berryman-Kamp (Health Rotorua PHO), Judith McDonald (Whanganui PHO), Stephen Jacobs (MoH), Saskia Patton (MoH), Gabrielle Baker (MoH-Maori), Vicki McLaughlin (MoH)  Plus workshop with broader input in November (TBC)  <b>Governance:</b> Yet to be established
	Business Delivery Models	To investigate ways to support primary care businesses and NGOs meet the needs of the strategy.		Nardia Brooke (PHO Secondee)	Develop business model to subsequently transfer to Service Delivery Model project cluster	Project Manager seconded and starts 9 Oct. Will start scoping project then.	To be established
	Service Delivery Models of Care	To identify ways to enhance the delivery of care and patient support. The initial focus will be on chronic conditions including the outputs of the Care Plus evaluation and coordinated care.		Nardia Brooke (PHO Secondee)	Develop business model to subsequently transfer to Service Delivery Model project cluster	Project Manager seconded and starts Oct 9. Will start scoping project then with early focus on Care Plus and Coordinated Care.	To be established

		Description of 2006/07 Activities	Sponsors	Project Manager	"Next Steps" Dec 2006 Deliverables	Status as at 6 October 2006	Current Sector Involvement Note: People participate on groups as experts or those with extensive experience and not as representatives of their organisations. Their affiliated organisations below are simply there to help people place the name.
Workstream 3 - Infrastructure & Sector Development	Information & Performance Environment	Largely the Key Directions project on primary care information whose aim is to: 1. Identify and build from sector emergent learning 2. Identify future trends and requirements that the information environment will need to support 3. Identify and document a development path	Andrew Holmes (MoH)  John Peters (NMDHB)	Steve Creed (MoH)		Work on project charter has been completed. Now working on detailed project plan for this next stage on defining capability and case studies.	<b>Proposed Advisory Group (as @ late September):</b> <b>Confirmed:</b> Margaret Horsborough (Auck Uni), Joanne Hayes (Taumata Hauora PHO), Mary Brown (WIPA), Brett Anderson (Pinnacle, PHONZ), Vicki McLaughlin (MoH), John Wellingham (Apollo, Waitemata DHB), Matiu Rei (Ora Toa PHO), Doug Neilson (ACC), Shelley Frost (Pegasus, IPAC), Harry Pert (RGPG), Jim Vause (College, Redwoodtown), Phil Brimacombe (CIO CMDHB/WDHB), Harley Aish (IPAC, ProCare), Kim Tito (NDHB), <b>Yet to be confirmed:</b> Clive Stone (HealthWest, PHONZ), Margie Fepulea'i (DHB Pacific), Martin Hefford (CCDHB)  Planned <b>broader involvement</b> in November (TBC)
	Workforce capability and capacity	Yet to be scoped. Starting with an initial survey of requirements and stocktake of existing initiatives as basis for action plan development.		TBC	Completion of workforce activity stocktake	Project Manager/resource to undertake stocktake now being identified	May use existing groups or establish a new one. Decision will be part of recommendations from stocktake. WDG will provide the DHB oversight for the stocktake.
Workstream 4 - Change Management	Shared Sector Vision	Yet to be scoped. Starting with an initial stakeholder workshop in November.	Colin Feek (MoH)  Chris Clarke (HBDHB)	Stephen Jacobs (MoH) Kim Arcus (Programme)	Process established for sector wide engagement re: development of shared sector outcomes  Agreed & established strategic change management framework	Project currently being scoped	Yet to be established
	Shared Learning						Yet to be established