

25 January 2017

Dr Irvine

<mailto:fyi-request-5086-5ed34255@requests.fyi.org.nz>

Dear Dr Irvine

Official Information Act Request – Our Reference 2016/288

Thank you for your letter received by Capital and Coast District Health Board (CCDHB) on 21 December 2016, in which under the Official Information Act 1982 you requested information relating to the financial status of the Kenepuru Accident & Medical Clinic.

The request asks if Kenepuru Accident and Medical Clinic (KAMC) operates at a net financial loss to Capital and Coast DHB, or whether patient part-charges and ACC subsidies allow it to operate at a net profit.

In response to your request, we cannot accurately determine profitability for KAMC as not all costs have been allocated. I can advise that patient part charges and ACC subsidies do not cover the full cost of providing the Kenepuru Accident and medical clinic services. CCDHB also subsidises the costs of providing this service by more than 50%.

Please see the table below which identifies the financials for KAMC from July 2015 to June 2016.

Financials for KAMC 2015/16	
Revenue – (ACC/Patient Part Charges)	2,000,496
Medical Personnel	525,478
Nursing Personnel	1,299,460
Management/Admin Personnel	460,355
Total Personnel	2,285,293
Outsourced personnel	1,786,018
Outsourced Clinical Services	128
Total Outsourced	1,786,146
Clinical Supplies	132,821
Infrastructure	194,329
Total Operating Expense	4,398,589
Surplus (Deficit)	(2,398,093)

Please note these are based on the direct costs only as there are numerous other costs not allocated down to the service level and are therefore not included.

Costs not allocated include:

- Clinical Testing costs
- Facilities costs, for example:
 - Building rents and depreciation
- Utilities costs, for example:
 - Heating charges
 - Lighting
 - Electricity
 - Water
- Management administration costs, for example:
 - Payroll administration charges
 - Accounts Receivable costs generated in collecting ACC revenue, GMS funding and Patient Part Payment charges
 - Accounts Payable costs - especially from admin of contract doctors invoicing

The request also asks for the figures for the financial year ending April 2016, broken down by day and evening shift (profit or loss, from 8am to 10pm) and evening shift (profit or loss, from 10pm to 8am).

We are unable to accurately break down the financial statements into individual shifts as we do not allocate costs to this level within the financial system.

We would be more than happy to meet with you to discuss this if you wish.

Kind regards



Carey Virtue
Executive Director, Operations
Medicine, Cancer and Community Directorate