



MIDCENTRAL DISTRICT HEALTH BOARD

Te Pae Hauora o Ruahine o Tararua

12 March 2019

Marie Daly

NZ Rural Hospital Network Executive Committee

C/O: FYI Website

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Dear Marie

Official information request for MidCentral DHB Rural Adjuster Details

Thank you for your Official Information Act request on 2 March 2019 regarding MidCentral DHB's process for allocating, monitoring and reporting annual DHB rural adjuster funds.

We have addressed each of your queries below:

1. *For each of the past three years ending June 2016, June 2017 and June 2018 what was the DHBs Rural Adjuster funding component of the PBFF funding pool?*

MidCentral DHB does not hold information with respect to rural specific funding. The rural adjuster is part of the total PBFF funding that is allocated to the DHB each year – there is no separate rural funding line. We have transferred this question to the Ministry of Health to provide further context around the PBFF calculation.

2. *Does the DHB fund and provide rural hospital services?*

Yes – we support services that are provided in rural locations through a process of funding allocation from the total annual DHB PBFF funding.

2.1 The rural hospital is located in Dannevirke. This is a privately owned facility that the DHB supports with additional services such as:

- i. Rural inpatient beds
- ii. General Practice team
- iii. Primary Birthing
- iv. Pharmacy Services
- v. Mobile bus for rural patients
- vi. Public Health
- vii. Radiology Services
- viii. Outpatient clinics supported through hospital services
- ix. Community Mental Health
- x. District Nursing

- 2.2 There is no annual budget specific for the rural hospital, we support services that are provided in rural locations through a process of funding allocation from the total annual DHB PBFF funding. We identify need through our locality planning and trends to support the MidCentral DHB population.
- 2.3 The rural adjuster is not a separate line item, therefore it is subject to the same annual process as all contracts. There is an annual review of the contract and negotiation around potential funding increases, including consideration around CPI adjustment.

3. *Does the DHB fund and provide rural community services?*

Yes

- 3.1 The DHB supports a wide range of health services across the MidCentral region which are also provided to rural patients. Furthermore, we provide specific rural services such as:
 - a. Mobile Bus services for rural patients
 - b. Support for Eketahuna and Norsewood rural clinics
 - c. Rural general practice support through the Central PHOThese services are provided through a mixture of DHB, NGO and private provider ownership models.
- 3.2 There is no annual budget specific for the rural services, we support services that are provided in rural locations through a process of funding allocation from the total annual DHB PBFF funding. We identify need through our locality planning and trends to support the MidCentral DHB population.
- 3.3 The rural adjuster is not a separate line item, therefore it is subject to the same annual process as all contracts. There is an annual review of the contract and negotiation around potential funding increases, including consideration around CPI adjustment.

4. *For each of the past three years, under each of the components of the Rural Adjuster, quantify the allocation of Rural Adjuster funding through the DHBs contracts with its contracted providers or Service Level Alliance Teams.*

The rural adjuster is part of the total PBFF funding that is allocated to the DHB each year – there is no separate rural funding line.

5. *Does the DHB include reporting requirements specific to the use of rural adjuster funding in its contracts with service providers whose contract includes rural adjuster funding.*

All contracts have reporting and auditing requirements. The rural adjuster is part of the total PBFF funding that is allocated to the DHB each year – as a result, there is no additional reporting required for rural providers.

MidCentral DHB has a large rural sector and takes rural health seriously. Historically we have provided considerable support to rural service providers including Tararua Health Group which provides Dannevirke Community Hospital. We continue to be committed to quality living, healthy lives and well communities across the MidCentral region. Through our process of locality planning we target funding to where the greatest need is.

Please note that this response, or an edited version of this response may be published on the MidCentral DHB website ten working days after your receipt of this response.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Johnston', written in a cursive style.

Craig Johnston
General Manager – Strategy, Planning and Performance