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11 April 2019

Marie Daly
Executive Committee
New Zealand Rural Hospital Network
Via Email: fyi-request-9740-860ee3d3@requests.fyi.org.nz

Response to a request for official information

Dear Marie

Thank you for your request for official information received 4 March 2019 by Nelson Marlborough Health (NMH)¹, followed by the partial transfer of Question 1 (of 5) to the Ministry of Health and necessary extension of time 29 March 2019, where you seek the following information on behalf of the Rural Hospital Network Executive Committee, on Rural Adjuster allocation, monitoring and reporting.

- 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?*

Following the partial transfer of Question 1 to the Ministry of Health, the Ministry will provide appropriate context about how the Rural Adjuster works.

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

Yes.

2.1 Provide the following information about the rural hospitals in your DHB.

Name or location of hospital:

Murchison Community Hospital Health (Murchison)
Golden Bay Community Health (Takaka)

List of services the hospital provides:

Murchison Community Hospital Health provides:

- Inpatient care
- District Nursing
- Public Health Nursing
- Meals on Wheels
- Support to the Surgical Bus
- Aged Care

¹ Nelson Marlborough District Health Board

- Urgent Care
- Primary Response in Medical Emergencies (PRIME)
- Primary Care Services

Golden Bay Community Health provides:

- Inpatient care
- District Nursing
- Public Health Nursing
- Maternity Care and Primary Maternity Facility
- Allied Health
- Meals on Wheels
- Support to the Surgical Bus
- Aged Care
- Urgent Care
- Primary Response in Medical Emergencies (PRIME)
- Primary Care Services

Business structure of the hospital

Murchison Community Hospital Health is DHB owned.
Golden Bay Community Health is operated by Nelson Bays Primary Health, the Primary Health Organisation (PHO) in Nelson Tasman.

Annual Budget

2.2 How is the annual budget for each of the rural hospitals set?

Murchison Community Hospital Health is budgeted based on the forecast services required for the local population and the cost of delivering those services through the DHBs usual budgeting and prioritisation process.

Golden Bay Community Health – NMH suggests the Rural Hospital Network contacts Nelson Bays Primary Health to ask about the budgeting of Golden Bay Community Health. A contract discussion is held each year around the cost of delivering contracted services with an amount agreed between the parties.

2.3 How does the DHB apply the annual rural adjuster funding to the benefit of each of the rural hospitals listed in the table in question 2.1?

The rural adjuster is an input into the Population-based Funding Formula which determines the share of funding allocated to each District Health Board (DHB), rather than a specific funding line. As such, there is no dedicated funding for rural services in this funding model.

A DHB's role is to allocate resources that provide the best possible outcomes for the population in accordance with the legislated objective to '*improve, promote, and protect the health of people and communities*', as set out by s.22(a) of the New Zealand Public Health and Disability Act 2000. The provision of funding for rural hospitals is one way in which we achieve this objective.

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

Yes. The DHB ensures it is providing core services to rural areas, including areas where there is not a rural hospital such as the Awatere, Tapawera, and Marlborough Sounds.

**3.1 Provide the following information about the rural community services in your DHB:
Location of services, List of Community services in each location, Business structure of the service provider, Annual Budget.**

3.2 How is the annual budget for the community services set?

3.3 How does the DHB apply the annual rural adjuster funding to the benefit of each of the rural communities?

Please see Table One below for our response to Question 3.1, 3.2 and 3.3.

Table One

Location	Community Service	Business Structure	Annual Budget
Motueka, Golden Bay, Tapawera	Rural GP Services	Private Business	\$674,249 (additional to the core General practice (GP) funding streams)
All rural areas	Mental Health Services	DHB	The rural component of these services is not separately budgeted
All rural areas	Public Health Nursing	DHB	The rural component of these services is not separately budgeted
All rural areas	District Nursing	DHB	The rural component of these services is not separately budgeted
All rural areas	Maori Health Services	NGO	The rural component of these services is not separately budgeted
All rural areas	Home Based Support Services	DHB	The rural component of these services is not separately budgeted
All rural areas	Palliative Care Services	DHB and NGO	The rural component of these services is not separately budgeted
All rural areas	Allied Health Services	DHB	The rural component of these services is not separately budgeted
All rural areas	Pharmacy Services	Private business	The rural component of these services is not separately budgeted, however rural adjusters to support rural Pharmacies total \$127,497

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.

Small hospital facilities, Community services, Offshore Islands, Travel and Accommodation, Inter hospital transfers, Governance, Rural GP/PHO payments.

Please refer to our response for Question 2.3.

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.

No specific reporting requirements are related to rural adjuster funding, however each service contract has reporting requirements tailored to the type of service provided.

This response has been provided under the Official Information Act 1982. You have the right to seek an investigation by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or free phone 0800 802 602.

If you have any questions about this decision please feel free to email our OIA Coordinator OIArequest@nmdhb.govt.nz

Please note that this letter (with your personal information removed), or an edited version of this letter, may be published on the Nelson Marlborough Health website.

Yours sincerely



Peter Bramley
Chief Executive

cc: Ministry of Health via email: SectorOIA@moh.govt.nz