Distribution:
Committee Members:
E Borrows, Chairman
K Eagles, Deputy Chairman
A Ballantyne,
M Bourke
P Catt
K Denness,
F Gilkison,
B Jeffares
P Lockett
A Rumball
P Moeahu (Co-opted member)
C Tuuta

Management:
CEO
GM Finance & Corporate Services
GM Hospital Services
GM Planning & Funding & Population Health
Chief Advisor Maori Health
Chief Medical Advisor
Nursing Director
GM HR & Organisational Development
Quality Risk Manager
Management Accountant
PA to Board
Advisors:
S Carrington, Media Advisor
P Franklin, Legal Advisor
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Media – Daily News, Newstalk ZB, Hawera Star, Midweek, Opunake & Coastal News, Stratford Press,
Health Centres – Stratford, Patea, Opunake, Mokau
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Hawera Hospital Library
Tui Ora Limited
Corporate Reception

TARANAKI DISTRICT HEALTH BOARD

AGENDA

HOSPITAL ADVISORY COMMITTEE

ORDINARY MEETING

OPEN

Thursday 7 March 2013
10am

Corporate Meeting Room 1
Taranaki Base Hospital
David Street
New Plymouth

HOSPITAL ADVISORY COMMITTEE

MEETING AGENDA

Thursday 7 March 2013
10 am
Corporate Meeting Room 1, Base Hospital
David Street
New Plymouth

1. Declaration to Open Meeting

2. Apologies

3. Conflicts of Interest

4. Public Comment

5. Minutes

5.1 Minutes of meeting held 7 February 2013

Pages 1 - 7

Resolution
That the Hospital Advisory Committee resolve to 7 February 2013.

6. Arising From Minutes

7. Management Reports

7.1 General Manager Hospital Services and attachments,

Pages 9 - 26

Resolution
That the Hospital Advisory Committee note and receive the report and attachments.

8. Other Business

9. Next Meeting

11 April 2013 in New Plymouth

10. Exclusion of Public

Resolution

That the Hospital Advisory Committee exclude the public from the meeting on the basis of the following matters:

1.. To present Chief Executive's Report in that the public conduct of the meeting would be likely to result in the

disclosure of information where the withholding of the information is necessary to:

(g) Enable the DHB, Board or Board Committee holding the information to carry out, without prejudice or disadvantage, commercial activities.

(h) Enable the DHB, Board or Board Committee holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

TARANAKI DISTRICT HEALTH BOARD

M I N U T E S Open (unconfirmed)

HOSPITAL ADVISORY COMMITTEE

7 February 2013
9.30am
Corporate Meeting Room 1
Base Hospital David Street
New Plymouth

Present:
Ella Borrows (Chair), Alex Ballantyne, Mary Bourke, Peter Catt, Kura Denness, Karen Eagles Flora Gilkison, Brian Jeffares, Pauline Lockett, Alison Rumball, Colleen Tuuta

In Attendance:
Tony Foulkes (Chief Executive), George Thomas (General Manager Finance & Corporate Services), Rosemary Clements (General Manager Hospital & Specialist Services), Gavin Woolley (General Manager Human Resources & Organisational Development), Greg Simmons (Chief Medical Advisor), Sandra Boardman (General Manager Planning & Funding), Anne Kemp (Quality & Risk Manager), Katherine Fraser-Chapple (Management Accountant), Ramon Tito (Kaumatua), Sue Carrington (Communications Advisor), Jenny McLennan (PA to Chief Executive)

767.0 Declaration to Open Meeting
The Chair welcomed those in attendance and invited Matua Ramon to open the meeting with prayer.

768.0 Public Comment
Mrs Borrows invited members of the public for any comments. Mrs Lehrke from Grey Power wished the committee all the best for the coming year.

769.0 Minutes of Previous Meeting
The Conflict of Interest Register was circulated with a new conflict noted by Ms Lockett regarding a small involvement with the South Taranaki Medical Trust.

770.0 Minutes of Previous Meeting
Resolution
That the Hospital Advisory Committee resolve to accept the minutes of the meeting held 6 December2012 as a true and correct record.

Catt/Jeffares
Carried

770.1 Matters Arising
770.2 ED Presentation – Chronic Conditions
Ms Lockett referred to the comment by Dr Stevens that people with chronic conditions should see their own General Practitioner. In support of this comment Mrs Clements advised that a Midland PHO project on Chronic

Conditions was underway, and the focus of this was to ensure patients were on the correct clinical pathway.

770.0 General Manager Hospital & Specialist Services Report

770.1 General Manager Hospital & Specialist Services Report

The General Manager Hospital & Specialist Services took her report as read, highlighting the following:

- Overall casemix for the first six months was 2% ahead of contract.
- Medical case mix delivery 4% ahead of plan and overall surgical delivery 2% behind (electives 3% ahead and acute delivery -6% year to date.
- Provider financial results for the year, to 31 December was $3.30M worse than the budgeted deficit of $3.27M.
- ED presentations above contract year to date 12% at Base Hospital and 14% Hawera Hospital.
- Outpatient delivery year to date was 14% above contract.
- Elective closure over the Christmas / New Year period had no negative impact on elective waiting times.
- 116 joint replacements have been completed which is slightly behind plan (24 joints).
- 207 cataracts have been completes year to date (25 ahead of plan).
- Improvements in the ED Shorter Stays and Smokefree Health targets continues.

Discussion

- Dr Gilkison referred to the reported infection rate in joint replacements, noting that a number of infection were anticipated and that the likelihood of infections was well researched.
  Mrs Kemp advised that post discharge infection information was currently obtained by way of patient survey and that the Health Quality & Safety Commission (HQSC) were looking at nationwide methods of measuring infection rates.
- Mrs Clements advised that TDHB remains compliant with Ministry requirements to have zero patients waiting over 6 months (ESPI 5) with a small number of patients waiting over 6 months for a visiting consultant.
- It was noted that the Non Acute Rehabilitation Contract continues to be behind budget and that an internal audit has taken place to determine the cause. A decision on the inclusion of Enhanced Intermediate Care patients under this contract was awaited.
- Mrs Eagles noted the dramatic decrease in the number of specials and was advised that this was as a result of a revised model of care and multi-team focus within the Mental Health Service.
- Mr Ballantyne noted the high Triage 5 rate in Hawera ED compared to Base.
- Mr Jeffares also noted the increase of patients admitted through ED. Mrs Clements advised that some patients who presented at Hawera ED may end up with their admission proceeding through Base ED and that the current admission rate was considered appropriate.
- Mrs Clements referred to the progress reports on the various projects underway:
    - Surgery cancellation rate fell by over 2.5% to 5.23%, moving close to the 5% tolerance for cancellations on the day of surgery.

    - Decreasing trend in DNA rates. It was noted there were short notice patients who were available to attend clinics if a space became available.
- Ms Lockett suggested that a demographic breakdown of the Acute / Elective delivery information to portray age groups could assist in providing useful trend information. Mrs Clements advised that this could be provided on a quarterly basis.
- Ms Lockett questioned the associated cost of increased ED presentations. Mrs Clements advised that the recent increase of 3.9% was in accordance with the trend from previous years, but that systems had been put in place to better manage the increased levels of presentations.
- In response to a question from Ms Lockett, Mrs Clements advised that contractual discussions with Fulford Radiology were continuing and that updates would be provided as information becomes available. It was noted that discussions were focusing on waiting time management, which had been an area of concern for some time.
  Dr Gilkison advised that Fulford were revising their reporting templates to ensure information available clearly demonstrated volumes, waiting times, costs etc.
  Miss Bourke noted with concern that the issue had been apparent for some time and that it was important that progress be made.
- Miss Bourke also noted with concern that reference to ophthalmology services, of which delivery remains above plan and is being closely monitored, and to the notation that most specialities are slightly behind contract and plans will be put in place to improve these areas. Miss Bourke sought clearer decisiveness in the information provided regarding contractual management.
- Ms Lockett referred to Hospital Services Project spreadsheet, indicating timelines and progress against associated measure would be beneficial.

770.2 Financial Report
Ms Fraser-Chapple took her report as read.

<u>Discussion</u>
- Ms Lockett referred to the Overall Performance dashboard and requested that a link between the information presented and the financial results regarding FTE would be beneficial. Mr Foulkes agreed that year to date information would provide useful trend data.
- Ms Denness referred to the emerging financial results which were consistent with the trend from previous months noting the reported increased level of annual leave. Ms Fraser-Chapple advised that the annual leave figures included the cost of the leave taken and any replacement staff that was required. It was also noted that both December and January figures should be considered together.
- It was noted that the impact of ward closures over the Christmas period was well managed and was significantly less that the impact the previous year when wards were very busy and staff had to be brought in.
- Miss Bourke referred to the setting of the 2013/14 budget and questioned the alignment between funding received and service provision and how this year would be managed differently.

Mr Foulkes advised that the new hospital would provide unique challenges with a new environment, new staffing model and new set of logistics which would combine with current financial challenges.

Ms Denness questioned involvement of clinicians and in budget setting and financial management. Mrs Clements advised that while budgets were set up as 'whole of theatre' and 'whole of ward' clinicians were involved in budget setting discussions ie. Diagnostic services, laboratory testing, consumables etc.

Ms Denness questioned the level of accountability for budget delivery. Mr Foulkes confirmed that there was accountability considering 'has the manager done all they can' to manage their budget.

Miss Bourke understood the intent of the question, advising that assurance was being sought that all that can be done is being done, everyone is taking onboard appropriate levels of accountability and that the current level of over expenditure was being taken seriously.

- The night cost of vehicles was noted with Mrs Fraser-Chapple noting that the level was higher than anticipated for dental bus registration and maintenance.

770.3 Human Resource & Organisational Development

Mr Woolley took his report as read and highlighted the following:

- E-learning within the Midland progressing well with a full stock-take undertaken of learning resources within the region.
- Behaviour awareness programme focusing on education around TDHB expected values.
- Good take up of annual leave over the Christmas / New Year period.
- Low average quarterly turnover rate of 1.47% which is less than the same quarter in 2011/12 at 2.33%.
- Average sick leave rate is lower than the average rate for all DHBs.
- Senior Doctor replacement rationale was raised and it was advised that volumes were always considered as part of any replacement justification along with the size of services. It was important that cover was able to be provided. Inequities across the specialities was also considered with job sizing used as a tool to determine appropriate staffing levels.
- Mr Woolley advised that 2013 Voluntary Bonding Scheme information was yet to be posted on the Ministry's website and that relevant managers would be advised to notify and encourage eligible employees.

770.4 Quality & Risk Report

Mrs Kemp took her report as read and highlighted the following:

- In December, auditors of behalf of Archives NZ, audited the DHB against the four mandatory standards. The results will provide a gap analysis of progress required over the next ten years.
- HQSC has identified specific priorities focusing on falls and element that underpin their work.
- Quality account – hospital based indicators under development through discussion with Planning & Funding.
- Although not a requirement TDHB continues to send out Patient Satisfaction survey twice per month.
- 53 complaints received during September, October and November compared to 76 in the preceding three month period.

- Emergency Train (table top) emergency exercise focusing on mass casualty management within Base Hospital is scheduled for 28 February 2013.
- Downward trend of Clostridium Difficile infection rate continues.

Discussion

- It was noted that the new facility will assist in addressing a number of the outstanding challenges that remain from the 2011 audit eg. monitoring of room temperatures.
- Ms Denness referred to the Post Discharge Surgical Infection Survey and was advised that the return rate was over 40%, with appropriate follow up with General Practitioners etc.
  Dr Gilkison referred to infection rate reporting that was generated via the Medical Council as part of their audit process.
  It was noted that there was an acceptable post operative infection rate.
- Ms Denness advised that she had received feedback from some members of the community who while they may have concerns are too scared to approach the system and invited any feedback.
  Mrs Eagles reminded members that there was a local health advocate who was available to assist and also the Health & Disability Commissioner.

Resolution

Resolved that the Hospital Advisory Committee receive and discuss the report and attachments of the General Manager Hospital & Specialist Services.

Gilkison/Rumball
Carried

771.0 Next Meeting

It was noted that the next meeting was scheduled to be held Thursday, 7 March 2013 in New Plymouth

Meeting closed at 11.40am

…… ……

Chairman Date

TDHB Hospital Advisory Committee Task List as at 7 February 2012						
Action No	**Date Raised**	**Action Description**	**Status**	**Assigned**	**Due Date**	**Updates**
15	7 February 13	**Overall Performance dashboard –** timelines and progress to be included	Ongoing	GM H&SS		To be provided on future updates as year to date information
14	7 February 13	**Hospital Services Projects -** Inclusion of timeline in spreadsheet	Ongoing	GM H&SS		To be provided on future updates
13	7 February 13	**Demographic breakdown of Acute / Elective delivery information to portray age groups**	Ongoing	GM H&SS		To be provided on a quarterly basis

TO	CEO and Hospital Advisory Committee
FROM	General Manager Hospital & Specialist Services
DATE	27 February 2013
SUBJECT	Exception Report for January 2013

TARANAKI DISTRICT HEALTH BOARD

MEMORANDUM

1 OVERVIEW

Please find the report for January 2013 providing the Hospital Advisory Committee (HAC) with an overview of hospital activity.

Overall casemix delivery for January 8% ahead of plan, (104.39 cwd). Year to date casemix remains at 2% ahead of plan, unchanged from December.

January medical case mix has increased again from 5% ahead in December to 8% ahead of plan in January. Year to date medical casemix remains at 4% ahead of plan.

January over delivery for surgery was again in electives, which are 12% over contract (28.74 cwd) with acute Surgical Delivery being 1% behind contact (-1.88 cwd). Year to date total surgical delivery stands at 2% behind contract.

With January encompassing the Christmas period, the average occupancy in the adult inpatient wards (including Mental Health) maintained the decrease noted in December (71%).

The Provider financial result for the month of January was $668K better than budgeted placing the YTD to 31 January at $2.64M worse than the budgeted deficit of $4.49M. There has been an improvement in the reported results from December 2012, relating to planned lower activity over the Christmas/New Year period; however, the overall financial situation remains unchanged with the Provider Arm carrying a significant deficit.

2 ACTIVITY

DHB Funded Activity

Patient Activity Summary

Metric	Month				YTD		
	Actual	Budget	Var	Var%	Actual	Budget	Var%
Total Patient Discharge Base	1,558	1,479	79	5%	11,884	11,795	1%
Total Patient Discharge Hawera	159	161	-2	-1%	1,313	1,230	7%
Elective Surgical Discharge	231	222	9	4%	2,493	2,387	4%
ED Attendance Base	1,764	1,466	298	20%	11,626	10,265	13%
ED Attendance Hawera	1,320	1,050	270	26%	8,502	7,348	16%
Outpatient Attendances	2,576	2,787	-211	-8%	21,732	19,509	11%
Theatre Visits	451	422	29	7%	4,238	3,785	12%
Deliveries Base	113	108	5	5%	756	760	-1%
Deliveries Hawera	8	10	-2	-20%	51	65	-22%

The total discharges through both Base and Hawera hospitals year to date show a variance to contract YTD of 1% with ED presenting a very busy picture at 13% and 14% above contract YTD respectively.

Electively, OPD delivery year to date was 11% above contract (3% improvement from last month) and we have been able to maintain our ESPI compliance through the Christmas closure.

2.1 Casemix and Non Casemix Activity

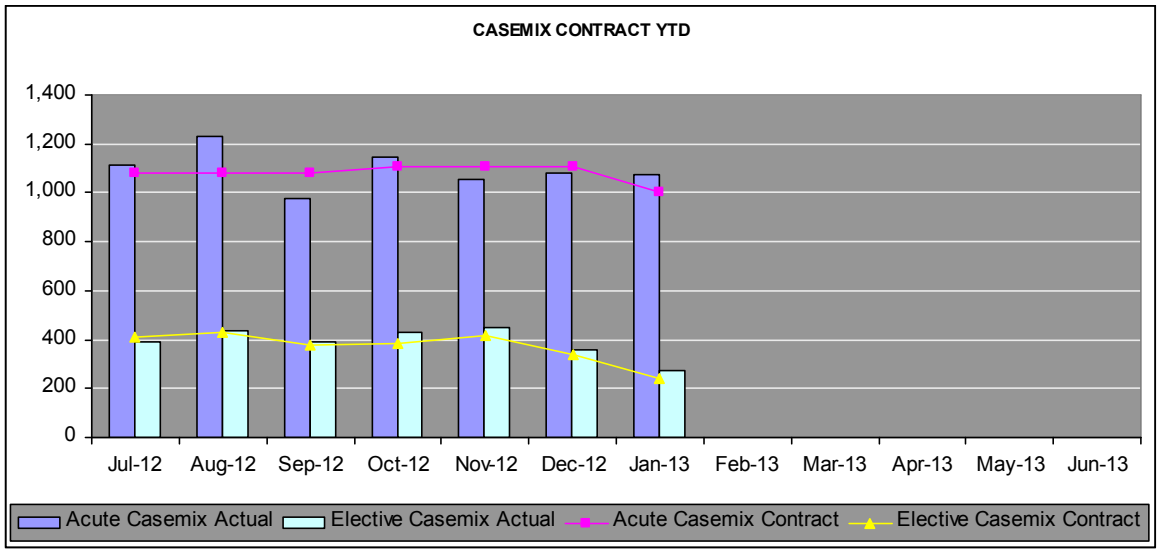
2.1.1 Casemix Delivery for 2011/12

Casemix delivery for January 8% ahead of plan, (104.39 cwd). Year to date casemix remains at 2% ahead of plan, unchanged from December.

January 2013 YEAR TO DATE result Case Mix delivery						
	Dschg	Total Cwd's	Contract	Cwd var	Avg Cwd.	% Variance
Medical	6862	4101	3929	171.74	0.60	4%
Surgical Acute	2260	2538	2731	-193.12	1.12	-7%
Surgical Elective	2268	2603	2506	97.25	1.15	4%
Total Surgical	4528	5141	5237	-95.88	1.14	-2%
Maternity	1807	1160	1000	160.26	0.64	16%

January medical case mix has increased again from 5% ahead in December to 8% ahead of plan in January. Year to date medical casemix remains at 4% ahead of plan.

January over delivery for surgery was again in electives which are 12% over contract (28.74 cwd) with acute Surgical Delivery being 1% behind contact (-1.88 cwd). Year to date total surgical delivery stands at 2% behind contract. Plans are being put in place to reduce the over delivery of the elective procedures.



2.1.2 Specialty breakdown

Acute delivery

- Cardiology continues to deliver high volumes resulting in a 50% over delivery for January and 30% over delivery year to date.

Elective delivery

- Cardiology continues to deliver higher volumes and is 36% ahead of contract for January (25% YTD).
- General Surgery is 12% ahead of contract YTD. Plans are in place to address this.

Jan-13	YTD Volumes - Actual v Contract				
	Actual	Contract	Var	% Var	Comment
Casemix	**cwd**	**cwd**	**cwd**		
Dental	135.43	147.43	-(12.00)	-8%	
Acute	36.93	45.89	-(8.96)	-20%	
Elective	98.50	101.54	-(3.04)	-3%	
ENT	203.81	229.35	-(25.55)	-11%	
Acute	18.82	30.51	-(11.69)	-38%	Demand driven
Elective	184.99	198.85	-(13.86)	-7%	Small contracted service affected by leave of clinicians
Cardiology	403.27	314.35	88.92	28%	
Acute	284.02	219.25	64.77	30%	Over delivery is demand driven however alternate ways of addressing this are being explored for both acute and elective
Elective	119.25	95.10	24.16	25%	
Ophth	172.05	185.97	-(13.91)	-7%	
Acute	4.75	10.85	-(6.10)	-56%	
Elective	167.30	175.11	-(7.81)	-4%	
Paed Med	361.29	314.77	46.52	15%	Reflective of busy month
Base	361.29	314.77	46.52	15%	
Hawera	0.00	0.00	0.00	-	
Urology	214.35	230.13	-(15.78)	-7%	
Acute	76.31	85.40	-(9.09)	-11%	Demand driven
Elective	138.04	144.73	-(6.68)	-5%	New service begins in Feb which will smooth this delivery
Maternity	772.97	719.75	53.21	7%	Demand driven
Neonatal	386.92	279.88	107.04	38%	A busy month

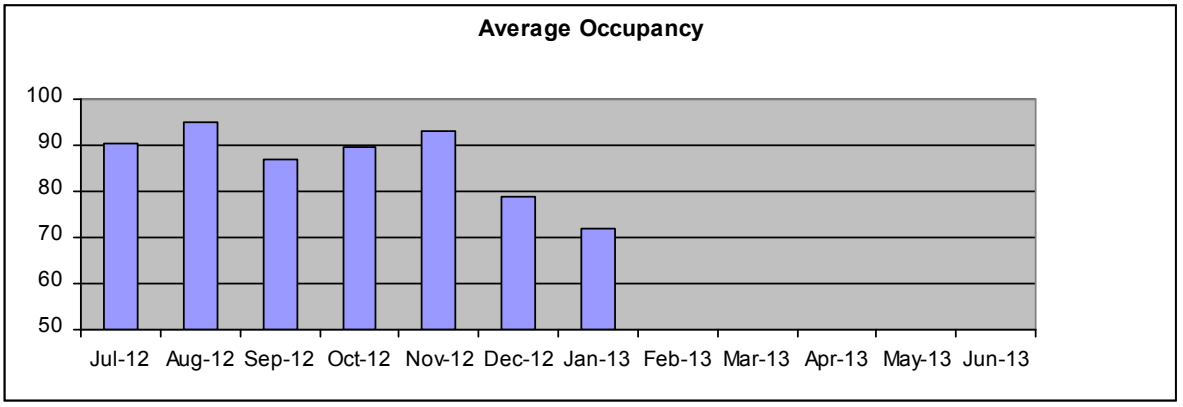
Procedure targets

Joints: Year to date 128 joints have been completed - 17 less than Ministry Surgical intervention rate and this is showing some improvement, however remains slightly behind plan.

Cataracts: 213 cataracts have been completed (38 ahead of plan).

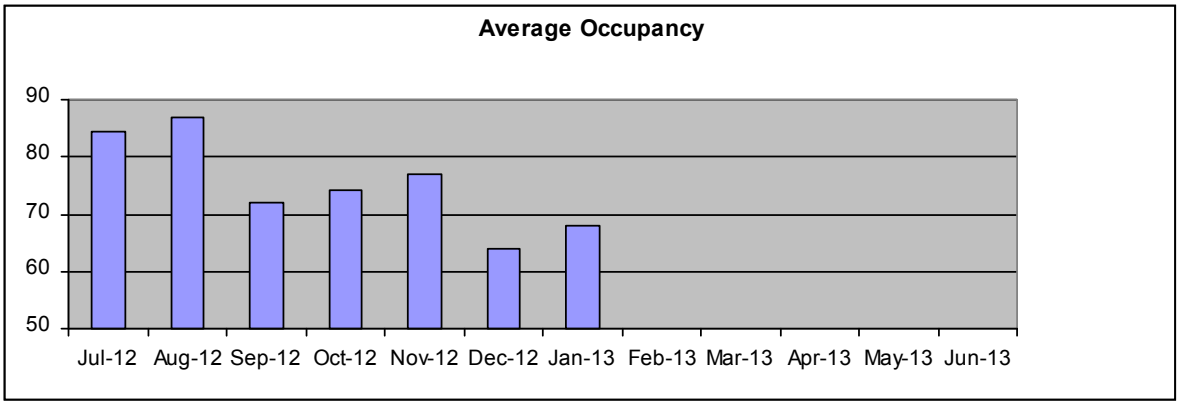
2.2 Inpatient Delivery

Graph One (A): AVERAGE OCCUPANCY FOR ADULT INPATIENT WARDS (includes WARDS 1, 3, 4 & 5 - a total of 126 beds)



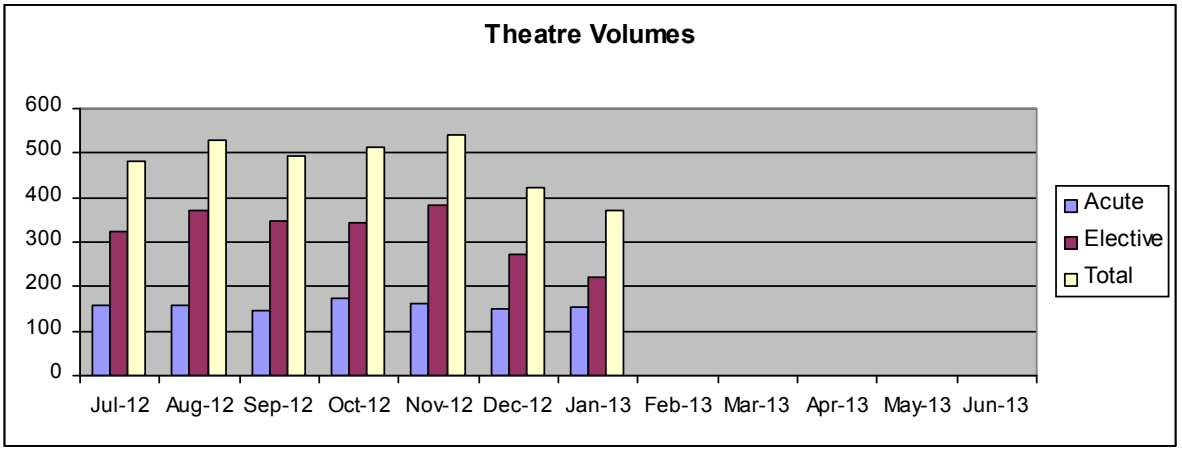
(This table reflects how many patient beds are occupied each day on average. It therefore provides an indicator of the busyness of the 4 main inpatient wards and because they make up the greater number of total hospital beds, usually the general busyness of the whole hospital. It includes a mix of acute ie. unplanned patients and elective ie. planned patients.)

Graph One (B): AVERAGE OCCUPANCY FOR SPECIALIST UNITS (includes ICU, NNU, WD 2 & MATERNITY – a total of 53 beds)



(This table reflects how many beds are occupied each day on average for the specialist units. Typically specialist units do not run with a high occupancy and their busyness is more often dictated by the acuity of their current patients – see Graph 4 B)

Graph Two: THEATRE VOLUMES



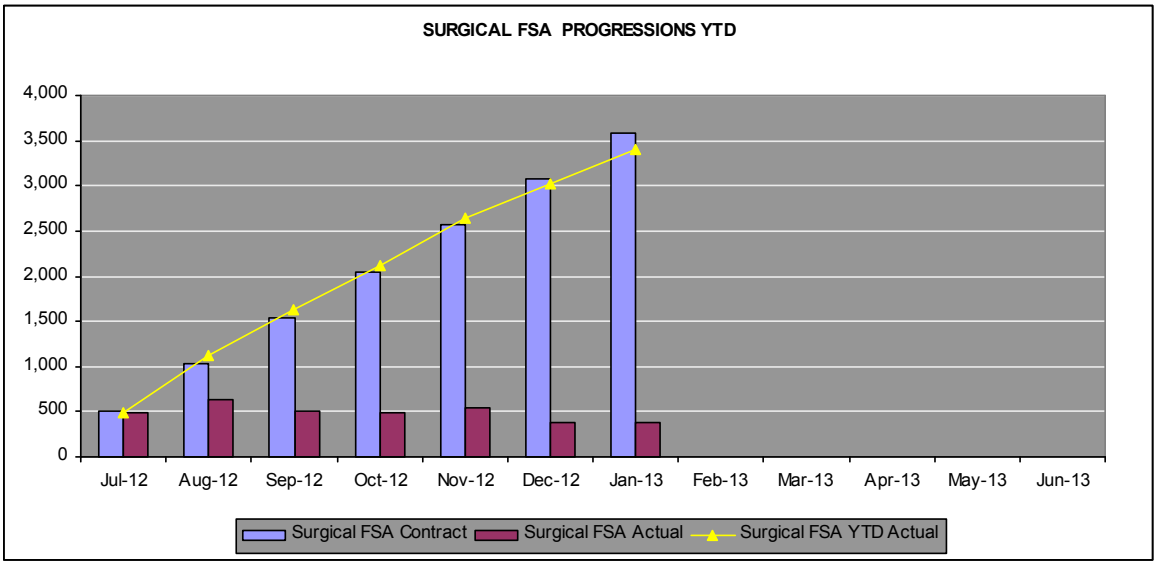
Comment:
Of note, the average occupancy in the adult inpatient wards significantly decreased over the January period predominantly due to the elective surgery closure of theatre.

2.2.1 Hawera Inpatient Ward

January occupancy for Hawera inpatients was 47%, a decrease from 50% in December and 58% in November. HMU occupancy is at 33%, a decrease from 33% in November.

2.3 Outpatient FSA Delivery for 2012/13

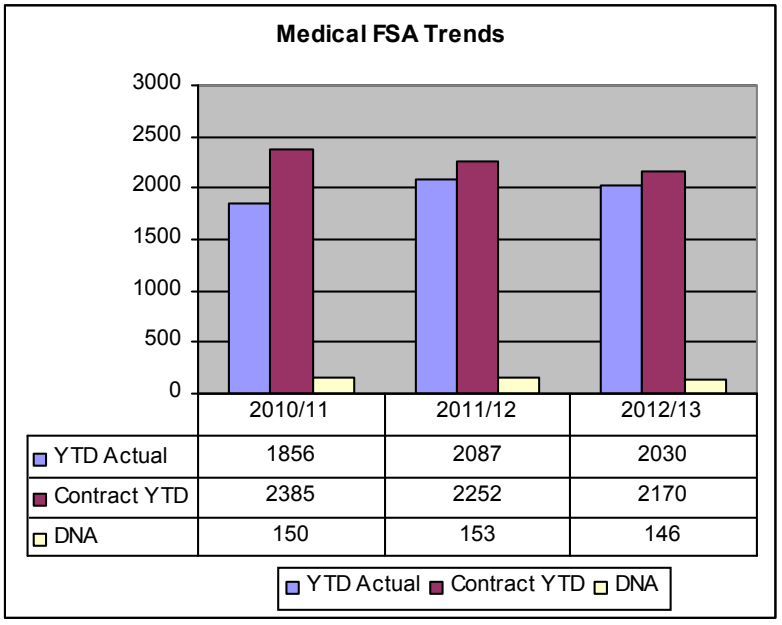
Surgical First Specialist Assessments (FSA)



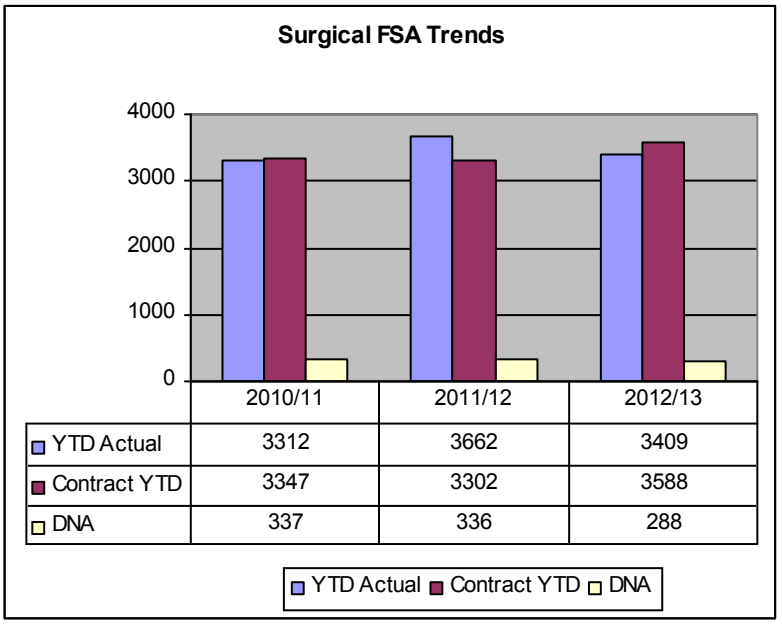
	Act Vols	Ctrct Vols	Var	% Var
General Surgery - FSA	1052	1108	-56	-5%
Ear Nose and Throat - FSA	358	420	-62	-15%
Gynaecology - FSA	440	496	-56	-11%
Ophthalmology - FSA	746	592	154	26%
Orthopaedics - FSA	546	642	-96	-15%
Plastics - FSA	41	38	3	8%
Urology - FSA	226	292	-66	-23%
Totals	3409	3588	-179	-5%

- Ophthalmology is still above contract and is being closely monitored.
- Most specialties are slightly behind contract, with plastics the exception.
- Urology and ENT are behind however there is a plan in place. We remain behind contract at -5%, influenced by the Christmas closure of OPD.

2.3.1 FSA Trends



This month's delivery remains close to contract.



This month's delivery remains close to contract.

2.4 Waiting List Management

TDHB continue to be compliant with the Ministry of Health's requirements to have zero patients waiting over 6 months in ESPI 5, being fully compliant, i.e. green for December. Ministry 'mock ups', showing where we would sit if we were achieving the new 5 months timeframe (mandatory from 1 July 2013) provided by the Ministry, show that we would be in the yellow zone, just within parameters. More focus is required to bring these results to green and full compliance. There was pressure due to the decrease in elective delivery over the Christmas period, resulting in an additional focus in some specialties to maintain compliance.

In ESPI2, we have 1 patient over 6 months due to a Neurology clinic being cancelled. A number of specialties are at 5 months with 11 patients showing in our internal reports for waiting over 5 months. Ministry 'mock ups' show that these 11 patients would make TDHB non compliant, i.e. red with the new parameters so our focus is on reducing the waiting time for all specialties.

The DNA policy is helping and there are very few errors with patients being rescheduled over the 5 month period. We continue to make a concerted effort to bring all the wait times back to less than 5 months and our expectation is that all specialties will be managing this by no later than April. It is clear that the improved communication to patients and understanding by Booking Administrators is assisting us make ongoing improvements.

2.5 ACC

- **Non Acute Rehabilitation Contract:** This contract remains behind budget, however the internal audit did not really show any obvious reason for this. We continue to lobby ACC for the ability to charge for the enhanced intermediate care beds.

- **Clinical Services Contract:** There has been a slight improvement in this. Close monitoring of this will continue.

- **Elective Surgery:** We continue to be under budget, currently approximately 35% ytd. We will be focussing on increasing the uptake of our contract as we approach the new theatres. The planned decrease in elective surgery delivery April / May provides an opportunity to offer consultants ACC lists with the view to decreasing this gap and generating revenue.

- **Nursing Services:** This contract remains a challenge administratively. Work continues on this.

- **Pain:** We remain under budget for the large pain contract, however both the interventional pain and the Activity based programme show a good increase and are ahead of budget (which was estimated at quite a low level).

2.6 Emergency Departments

The average number of patients per day in HED for January was 48.1, compared to 49.4 for December 2012.

Hawera ED

	January 2013	% Admitted	Average 2012/13 YTD	Average 2011/12
Triage 1	3	0%	2.5	2
Triage 2	72	36%	84	87
Triage 3	358	71%	389	345
Triage 4	764	31%	700	630
Triage 5	295	5%	238	219
Total Visits	**1492**	**9.5%**	**1413**	**1283**

Base ED

	January 2013	% Admitted	Average 2012/13 YTD	Average 2011/12
Triage 1	8	100%	10	7
Triage 2	184	61%	195	186
Triage 3	917	41%	986	981
Triage 4	1346	14%	1252	1138
Triage 5	241	3%	210	176
Total Visits	**2696**	**26%**	**2656**	**2488**

Above average numbers across triage 4 and 5 and overall when compared to 2011/12 levels. 6% increase in visits for January 2013 compared to same month last year.

2.7 Mental Health

TPW: Combined occupancy for January was 56%. This figure was made up of the following patient groups:

- Adult = 54.2%
- Elderly = 114.5%
- Intensive Psychiatric Care = 4%
- There were 4 clients through IPC in January compared to 6 for the month of December. IPC area in use for 5 days in the month.

Average number of specials:

- 47 shifts for all of January compared with 2 for December. This was due to the high falls/self harm risk. Due to the lower occupancy levels these specials were generally covered by existing rostered staff.

Brixton House (**Te Whare Whakauhuru)** (4 bed residential facility): was 66.1% occupancy in January. 1 client was readmitted to the ward during the month.

3 TARGET UPDATES

The Provider Arm continues to liaise with the Ministry of Health and Target Champions to assist our progress towards achieving each of the targets below.

3.1 ED Shorter Stays

Target 95%	January 2013	Q2 2012/13	Average 2011/12
TBH ED	92.32%	89.82%	85%
Hawera ED	100%	99.90%	99.81%
Total TDHB	95.07%	93.35%	90.01%

This is the first month that we have achieved this target across both EDs. The improvement in this target continues, despite the ongoing increase in presentations. Admission rate of 26% for January is unchanged from expected volumes.

The below initiatives related to the Acute Pathway which is expected to improve/sustain the 6 hour target result continue:

Emergency Department

- Implementation of an electronic screen to display patient list in arrival order, colour coded to highlight 6 hour target is expected to be in place in the next quarter.
- The EDO is proving successful with an average of 6 admissions into this area per day. How this unit is utilised continues to be enhanced.
- The minor injuries' unit is continuing to increase throughput and is now averaging 5.5 patients per day. Feedback from senior medical staff and patients is very positive.

Ward 5 (Medicine)

- Enhanced discharge planning in medical ward is progressing against the KPI's that have been set (20%+ discharges by 11am, Expected Date Discharge for all admissions on post intake ward round). In January 23% of patients were discharged by 11am.
- Nurse led discharges – continues to be piloted on Ward 5.

Department of Medicine

- Review of rostering for SMO and RMO within Department of Medicine continues to improve ability to meet needs of acute admission, reduce length of stay, and deliver elective delivery.
- A registrar based in the ED from 1400-2200 continues to be successful in meeting work load peak during these hours. How this will be rostered long term is being developed with the RMO team.
- Implementation of proformas from point of entry into ED, through to admission, is improving productivity of the registrars and these gains are expected to continue.

Acute Pathway Project

- Key pieces of work identified include bed block procedure and escalation pathway, transfer of patient procedure and communication plan.
- Refining the process for movement of patients between ED and wards, continues to be evaluated and adapted.
- Escalation process in development for patients at 5 hour length of stay and likely breach of 6 hour target.
- Hospital operations status meeting has commenced and gains in terms of staffing allocation and bed management are already being noted.

3.2 Smokefree Health Target

Target 95%	January 2013	Q2 2012/13	Average 2011/12
	90.83	92.68%	91.38%

Disappointingly the Smokefree target has again dropped off slightly this month. We have now commenced weekly reporting to nurse managers, with tracking of areas failing this target being closely monitored.

3.3 Radiology Health Target

Monthly Return for Taranaki Health	CT	MRI	US
Month = January 2013			
Overall Patient events (Community and Outpatient referrals)			
Total number accepted referrals waiting for scan at month end	**185**	**219**	**611**
Total number of referrals accepted for scanning during month	**173**	**58**	**438**
Total number scanned and reported during month	**216**	**38**	**271**
Total number of DNAs during month	**2**	**0**	**19**
Total number of referrals not accepted during month	**5**	**1**	**15**
Waiting times for Community and Outpatient referrals except planned procedures			
Total number accepted referrals waiting for scan at month end	**117**	**135**	**488**
Number of accepted referrals waiting for scan within 6 weeks (42 days)	**82**	**26**	**312**
Number of accepted referrals waiting within 21 weeks (147 days)	**117**	**101**	**477**
Monthly activity and demand for Community and Outpatient except planned procedures			
Total number of referrals for scan accepted during the month	**152**	**46**	**391**
Total number of accepted referrals scanned and reported in month	**183**	**29**	**236**
Total number of accepted referrals scanned and reported in month within 6 weeks	**75**	**4**	**95**
Total number of accepted referrals scanned and reported in month within 21 weeks	**170**	**20**	**234**

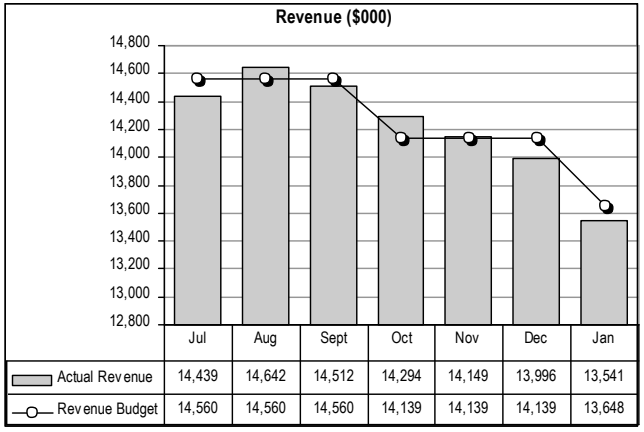
4 FINANCIAL COMMENT

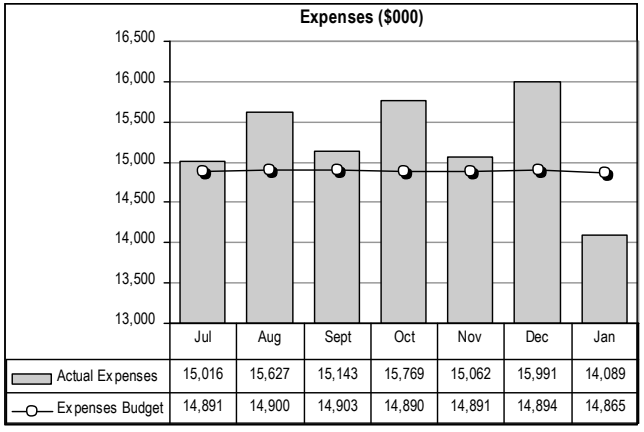
Financial Comment for the Month Ending **31 January 2012**

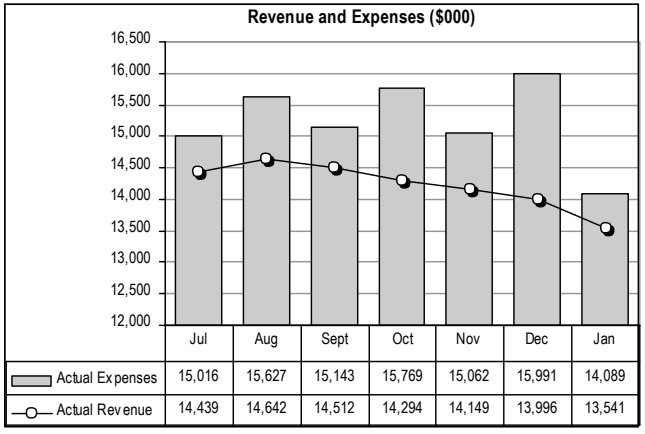
The Provider financial result for the year to 31 January is $2.64M worse than the budgeted deficit of $4.49M. This was made up of revenue $172K below budget and expenditure $2.47M higher than budget. Total expenses are 2% above budget to date and 4 % higher than the same period last year. For the month of January the result is $668K better than budgeted.

There has been an improvement in the reported results from December 2012, relating to lower activity and closures over the Christmas/New Year period; however, the overall financial situation remains unchanged with the Provider Arm carrying a significant deficit.

	January 2013 Actual	January 2013 Budget	Variance	January 2012 Actual	Year on Year Movement	Year to Date Actual	Year to Date Budget	Variance	Percentage Variance	January 2012 YTD	Year on Year Movement	Percentage Movement	Comment
Revenue	**(13,541,021)**	**(13,647,887)**	**106,866**	**(12,987,703)**	**4%**	**(99,572,397)**	**(99,745,155)**	**172,761**	**0%**	**(98,609,285)**	**(963,112)**	**1%**	Decreased revenue from ACC and MOH sources
Personnel Costs	8,384,744	8,404,132	(19,381)	8,239,930	2%	60,630,458	59,079,020	1,551,449	3%	57,847,532	2,782,926	5%	Reduced costs relating to lower activity and closures over the holiday period
Outsourced Services	1,513,663	1,629,274	(115,612)	1,639,955	-8%	12,446,718	11,404,927	1,041,794	9%	12,492,651	(45,933)	0%	
Clinical Supplies	1,673,810	1,968,073	(294,262)	1,755,939	-5%	13,872,548	13,782,128	90,428	1%	13,957,355	(84,807)	-1%	
Infrastructure & Non Clinical Supplies	2,517,378	2,864,865	(347,476)	2,702,875	-7%	19,752,535	19,979,284	(226,746)	-1%	18,333,211	1,419,324	8%	
Internal Allocations	(99)	(1,680)	1,581	(240)	-59%	(2,491)	(11,781)	9,270	-79%	(2,848)	357	-13%	
Total Expenses	**14,089,496**	**14,864,664**	**(775,150)**	**14,338,459**	**-2%**	**106,699,768**	**104,233,578**	**2,466,195**	**2%**	**102,627,901**	**4,071,867**	**4%**	
Result	**548,474**	**1,216,777**	**(668,284)**	**1,350,756**	**-59%**	**7,127,371**	**4,488,423**	**2,638,956**		**4,018,616**	**3,108,755**		



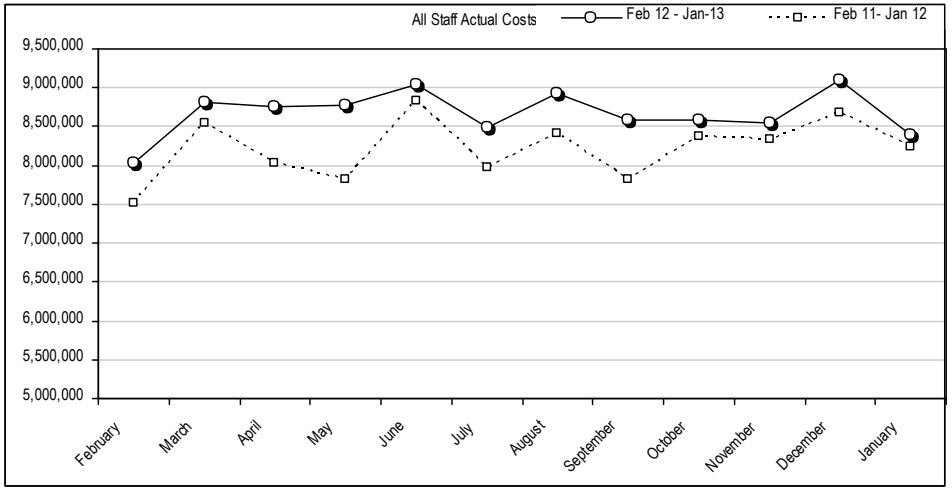




Year to date personnel costs are higher than budget by $1.55M. The total year to date variance is 3% above budget. High costs continue in nursing staff ($1.18M above budget YTD) and Allied Health ($465K YTD). FTE variance has reduced in both these areas from previous months, relating to lower activity and less use of casual staffing.

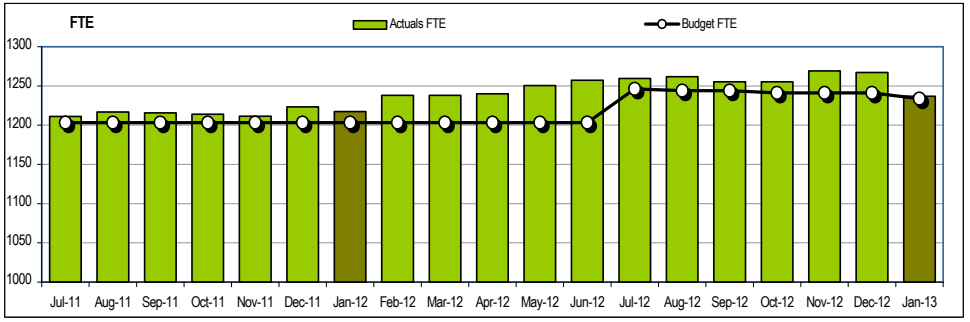
January expenses are significantly reduced from previous monthly actuals, related to reduced activity, lower use of casual staff and the high levels of leave taken. The reduction in costs against average monthly expenditure for the July – December period is estimated at $323K.

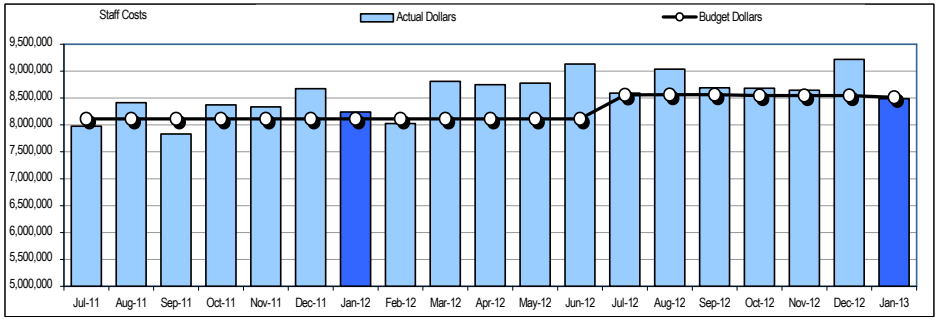
Group	January 2013 Actual	January 2013 Budget	Variance	Percentage Variance	January Actual FTE	January Budget FTE	FTE Variance	YTD Actual	YTD Budget	YTD Variance	Percentage Variance	Annual Budget	
Medical Staff	2,377	2,273	104	5%	133.0	142.3	(9.3)	16,349	15,910	440	3%	27,273	Overall high levels of leave taken have reduced expenditure - estimated savings of $323K against average 2012-2013 monthly expenditure
Nursing Staff	3,488	3,394	95	3%	544.2	536.1	8.1	25,127	24,010	1,118	5%	40,826	
Allied Health Staff	1,126	1,205	(80)	-7%	227.7	222.1	5.6	8,887	8,423	465	6%	14,449	
Support Staff	305	303	2	1%	86.8	81.2	5.6	2,374	2,121	253	12%	3,636	
Management and Administration Staff	1,089	1,229	(140)	-11%	226.1	234.1	(8.0)	7,893	8,616	(724)	-8%	14,763	
	8,385	**8,404**	**(19)**	**0%**	**1,217.8**	**1,215.8**	**2.0**	**60,630**	**59,079**	**1,551**	**3%**	**100,948**	
Medical Staff	2,377	2,273	104	5%	133.0	142.3	(9.3)	16,349	15,910	440	3%	27,273	
Locum Medical Staff	223	100	123					1,492	702	790		1,203	
Total Cost of Medical Staffing	**2,600**	**2,373**	**227**	**10%**	**133.0**	**142.3**	**(9.3)**	**17,841**	**16,611**	**1,230**	**7%**	**28,477**	

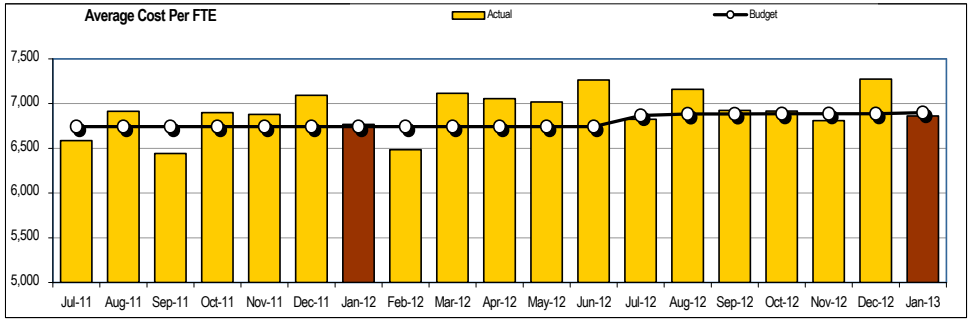


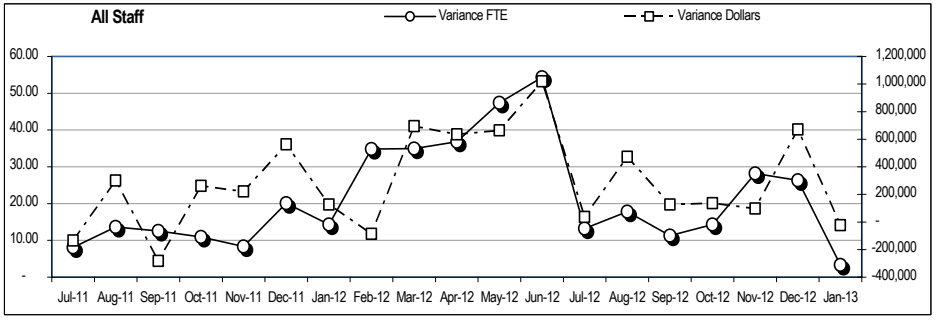
Provider Arm FTE are 2 FTE above budget. The reduction relates to service reduction and lower activity over the holiday period. Nursing staff are 8.1 FTE over budget, due to lower use of supplementary staffing. Vacancies in medical staff are 9.3 FTE, including ongoing vacancies at Hawera Hospital.

The total cost of medical labour including locums is $17.8M YTD, $1.2M higher than budgeted. Management and Administration FTE continue to be under budget for both FTE and costs.







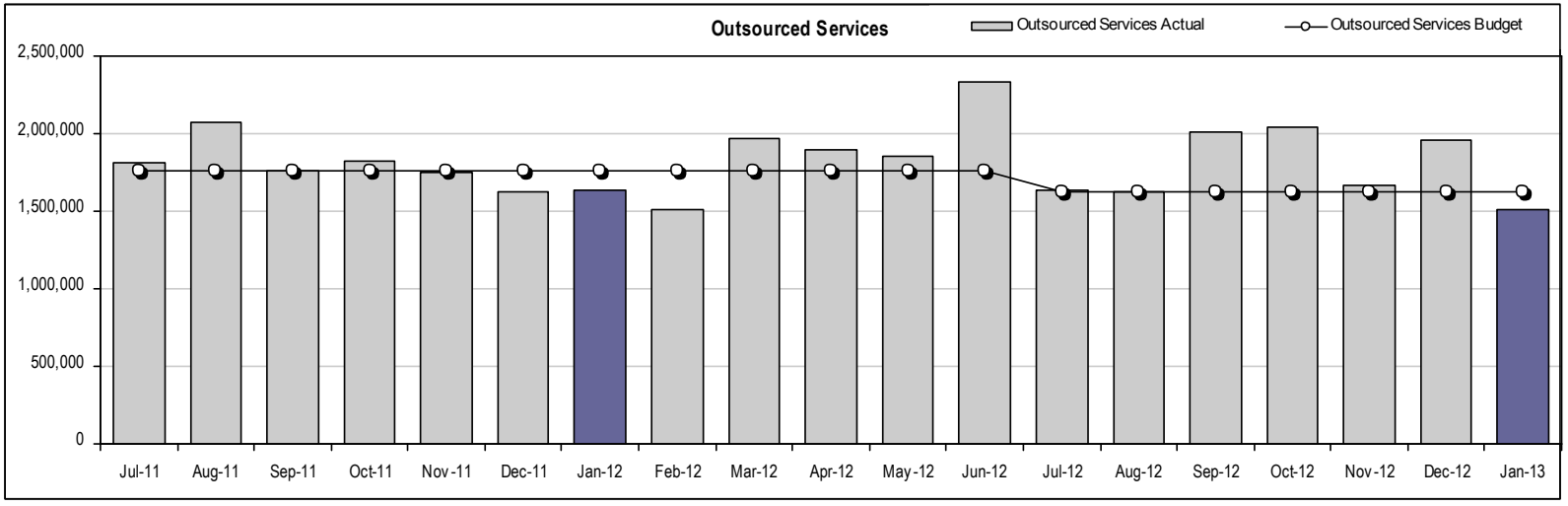


* Graphs include all TDHB staff including 17.8 FTE from Governance

Outsourced Services costs are $1.041M higher than budget year to date. Outsourced Medical staff costs are higher than budget by $790K, with the $760K of this variance relating to locum costs at Hawera Hospital. This is offset by lower staff costs, and the total cost of medical staffing at Hawera is $1.51M, $249K less than budgeted.

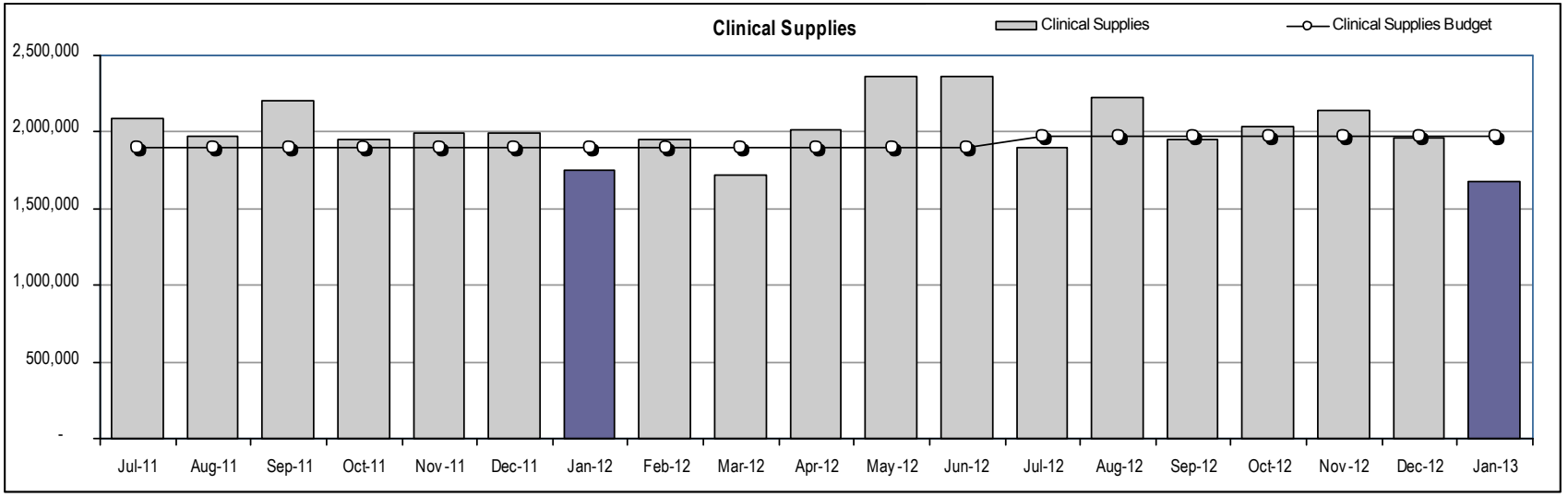
Referred services costs are higher than budget, relating to radiology volumes. Outsourced clinical services are under budget, relating to reduced costs from ACC surgery and reduced activity over the holiday period.

	January Actual	January Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 58%)	
Outsourced Medical Staff	223,381	100,269	123,112	1,491,985	701,881	790,104	113%	1,203,225	124%	High costs relate to Hawera Medical staff
Other Outsourced Staff	8,394	32,694	(24,300)	279,442	228,860	50,582	22%	392,332	71%	Allied Health staff offset by staff vacancy
Referred Services	603,290	610,860	(7,570)	4,864,959	4,276,023	588,936	14%	7,330,326	66%	Radiology costs higher than budgeted
Outsourced Clinical Services	678,599	885,451	(206,852)	5,810,332	6,198,163	(387,831)	-6%	10,625,425	55%	Reduced due to less ACC work
	1,513,663	**1,629,274**	**(115,611)**	**12,446,718**	**11,404,927**	**1,041,791**	9%	**19,551,308**	64%	



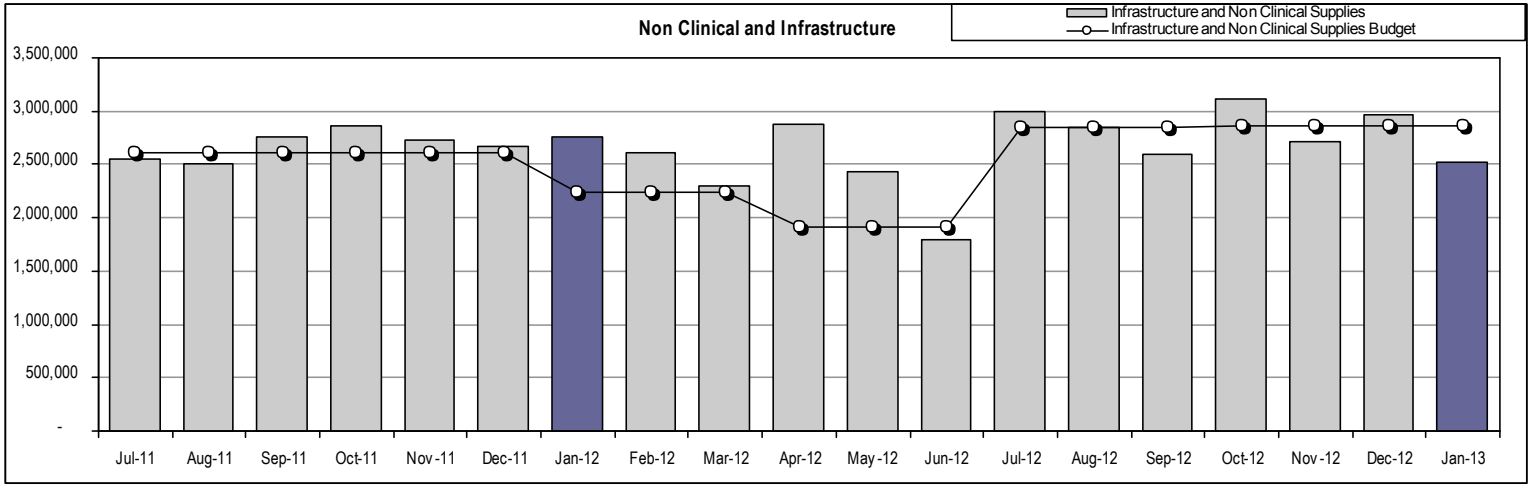
Clinical supply costs are under budget for January by $294K and over budget for the year to date by $90K. Expenditure is closely related to activity and has reduced in line with outputs. There is ongoing overspending in Pharmaceuticals relates to demand for cancer treatments, where over delivery is funded through internal revenue from the DHB Funder and high costs in implants relating to knee replacement and spinal surgery.

	January Actual	January Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 58%)	Comments
Patient Consumables	622,425	738,301	(115,876)	5,130,373	5,168,042	(37,669)	-1%	8,859,475	58%	
Diagnostic Supplies	66,148	116,229	(50,081)	756,937	813,608	(56,671)	-7%	1,394,754	54%	
Clinical Equipment	195,889	226,395	(30,506)	1,435,516	1,590,484	(154,968)	-10%	2,680,510	54%	
Patient Appliances	111,372	90,460	20,912	622,074	633,216	(11,142)	-2%	1,085,512	57%	
Implants and Prostheses	146,005	167,532	(21,527)	1,540,597	1,172,716	367,881	31%	2,010,370	77%	High costs in Orthopaedics, relating to volume
Pharmaceuticals	329,913	331,676	(1,763)	2,384,973	2,321,708	63,265	3%	3,980,070	60%	Costs for Cancer Treatments offset by Revenue
Patient Transport and Accommodation	204,943	288,501	(83,558)	1,942,173	2,019,501	(77,328)	-4%	3,462,000	56%	
Other Clinical Supplies	(2,885)	8,979	(11,864)	59,905	62,853	(2,948)	-5%	107,748	56%	
Clinical Supplies Total	**1,673,810**	**1,968,073**	**(294,263)**	**13,872,548**	**13,782,128**	**90,420**	**1%**	**23,580,439**	**59%**	



Infrastructure and Non-Clinical costs are $347K (12%) below budget for the month and $226K (1%) below budget for the year to date. Year to date hotel service are closer to budget, with December and January lower than budget related to reduced occupancy. Facilities costs continue to be high for the year to date, relating to utilities and building depreciation higher than expected due to building improvements, and movement of insurance expenses between categories (offset in Professional Fees). High professional fees and expenses relates to TDHB's share of costs for regional services. Other operating expenses are significantly less than budget relating to capitalisation of staff costs from capital projects.

	January Actual	January Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 58%)	Comments
Hotel	236,283	272,787	(36,504)	1,921,616	1,909,481	12,135	1%	3,273,383	59%	Volume related costs such as patient meals and laundry
Facilities	756,300	752,507	3,793	5,708,724	5,266,106	442,618	8%	9,029,696	63%	Higher than budgeted depreciation costs, insurance expenses transferred between categories
Staff Transport & Accommodation	50,081	74,884	(24,803)	574,863	528,743	46,120	9%	904,103	64%	High costs relating to TDHB vehicles
IT & Telecommunications	628,039	800,302	(172,263)	5,154,201	5,518,054	(363,853)	-7%	9,589,026	54%	
Interest & Financing Charges	609,317	659,633	(50,316)	4,601,346	4,617,433	(16,087)	0%	7,915,600	58%	
Professional Fees & Expenses	193,311	154,939	38,372	1,140,995	1,084,564	56,431	5%	1,859,250	61%	Reduced insurance expenses, high affiliation costs related to shared services
Other Operating Expenses	43,873	149,730	(105,857)	649,719	1,054,320	(404,601)	-38%	1,802,193	36%	
Democracy	174	83	91	1,071	583	488	84%	1,000	107%	
Cost Savings	0	0	0	0	0	0	0%	(2,000,000)	0%	
Total	**2,517,378**	**2,864,865**	**(347,487)**	**19,752,535**	**19,979,284**	**(226,749)**	**-1%**	**32,374,251**	**61%**	



5 GENERAL

The past few weeks have been focused on working with the staff to inform and engage them on a savings plan to improve financial performance and bring the Provider Arm expenditure back towards budgeted levels. The challenge of this over the next few months is well understood by most staff with resultant ideas for exploration and costing coming from every area, clinical and non clinical.

Planning is underway to reduce our elective delivery to meet contracted levels for the year; an opportunity to reduce outsourced expenditure by returning a portion of ENT back to Base from Southern Cross; we have managed to limit the capacity to 20 rehabilitation beds in Ward 1 as a result of; improved services such as intermediate care. The renal unit have achieved the reduction of incentre Home Dialysis with the best practice approach of home Home Dialysis rather than incentre. This has resulted in less shifts required in the incentre area. Annual Leave which will not require backfill is being encouraged and an awareness campaign against the cost of consumables. Clinical supplies and diagnostics review and management is also underway with clinical leaders. I will continue to keep the Board updated on progress in this area.

We are starting to see some improvements in various targets as a result of the initiatives that have been undertaken. Day of Stay Admission (DOSA) rate has increased significantly, Average Length of Stay (ALOS), particularly for orthopaedics, is trending down, hospital cancellations on day of elective surgery is reduced and the operational meeting in the morning has improved the flow and management of both patients and staff. It is gratifying to see the improvements coming after all the hard work.

RECOMMENDATION

That the Hospital Services Reports for the month of January 2013 be noted and received.

Rosemary Clements
General Manager
Hospital & Specialist Services