Distribution:
Committee Members:
K Eagles, Chair
A Ballantyne
E Borrows
M Bourke
P Catt
K Denness
F Gilkison
B Jeffares
P Lockett
A Rumball
C Tuuta

Management:
CEO
GM Finance & Corporate Services
GM Hospital Services
GM Planning & Funding & Population Health
Chief Advisor Maori Health
Chief Medical Advisor
Quality Risk Manager
Management Accountant
PA to Board

Advisors:
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Corporate Reception

TARANAKI DISTRICT HEALTH BOARD

AGENDA

HOSPITAL ADVISORY COMMITTEE

ORDINARY MEETING

OPEN

Thursday 4 July 2013
10am

Corporate Meeting Room 1
Taranaki Base Hospital
David Street
New Plymouth

HOSPITAL ADVISORY COMMITTEE

MEETING AGENDA

Thursday 4 July 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 6 June 2013

Pages 1 - 6

Resolution
That the Hospital Advisory Committee resolve to accept the minutes of the meeting held 6 June 2013 as a true and accurate record.

6. Arising From Minutes

7. Management Reports

7.1 General Manager Hospital Services.

Pages 7-32

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

8. Other Business

9. Next Meeting

August in New Plymouth

TARANAKI DISTRICT HEALTH BOARD

M I N U T E S Open (unconfirmed)

HOSPITAL ADVISORY COMMITTEE

6 June 2013
9.30am
Corporate Meeting Room 1
Base Hospital David Street
New Plymouth

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

In Attendance:
Tony Foulkes (Chief Executive), Rosemary Clements (General Manager Hospital & Specialist Services), Greg Simmons (Chief Medical Advisor), Simon Barrett (Group Financial Manager), Ramon Tito (Kaumatua), Sue Carrington (Communications Advisor), Jenny McLennan (PA to Chief Executive), Lee Mathias

791.0 Declaration to Open Meeting
The Chair welcomed everyone to the meeting and invited Matua Ramon Tito to open the meeting.

792.0 Apologies
The apology from Mrs Rumball was noted as was the apology from Mr Jeffares for lateness.

793.0 Address from the Chair
On behalf of the members Miss Bourke congratulated Dr Mathias on her receipt of the New Zealand Order of Merit for her services to both Health and Business.

794.0 Conflict of Interest Register
Members were invited to declare any new conflicts of interest. The register was circulated for members to sign, with no new interests declared.

795.0 Minutes of Previous Meeting
Resolution
That the Hospital Advisory Committee resolve to accept the minutes of the meeting held 9 May 2013 as a true and correct record.

Catt/Ballantyne
Carried

795.1 Matters arising
795.2 Health Quality Safety Commission – Quality Accounts Framework
It was noted that in accordance with the recommendation a letter was underway for sending to the HQSC regarding the national threshold levels for the Quality Accounts Framework.

795.2 ACC Contract
Mrs Clements advised that while ACC had agreed to recognise patients through the non acute rehabilitation contract and associated transfer into the Enhanced intermediate care beds they were not prepared to consider retrospective payments for this.

Ms Tuuta joined the meeting

796.0 Chief Operating OfficerHospital& Specialist Services Reports
796.1 Chief Operating OfficerHospital& Specialist Services
The Chief Operating Officer Hospital & Specialist Services took her report as read, highlighting the following:

Discussion
Mrs Clements took her report as read, highlighting the following:

- Overall casemix delivery for April was -6% with the YTD overall casemix delivery reducing by 1% to meet planned volumes.
- Medical casemix for April was 3% behind for the month and YTD was showing 1% productivity ahead of plan.
- Surgical delivery for April was 8% behind plan for the month, with Elective Surgery 7% behind for the month and acute delivery behind by 10%.
- Adult inpatient occupancy was low with an average occupancy of 74% across the acute areas and 81% for the specialist and 81% for the specialist units.
- Use of supplementary staff was low with rostered staff redeployed to areas as required.
- Total discharges showing are variance to contract of YTD 1%. Both ED's presented a busy picture with Base 14% and Hawera 18% above contract.
- ESPI compliance continues with all patients booked to end of year to ensure anticipated 5 month met.
- April medical casemix was 3% behind plan for the month and was 1% ahead YTD.
- YTD total for surgical delivery at 2% behind contract but planning to meet by year end.
- Acute cardiology continues with high volumes and a 58% over delivery in April. Ahead of contract by 34% YTD while matching with standard intervention rates.
- Most specialities behind in acute activity.
- Elective cardiology continues to deliver above contract both monthly and YTD.
- DNA graphs presented for medical and surgical services shows higher DNA rate for Maori patients. It was noted that the Maori Health team and Service Managers were considering strategies to improve performance.
- Compliance with the tighter MOH requirements to have zero patients waiting over 6 months in ESPI 5. We are on track for adherence to the 5 month wait times.
- Combined occupancy for TPW was 80.4% with a high level of patient complexity which resulted in increased acuity in the area.

- Both EDs achieved health target waiting times.
- Smokefree target achieved again for the month with well established systems in place.
- Radiology health target information presented for members information.

Mr Jeffares joined the meeting.

- Updates of projects associated with elective delivery and LOS was available.
- Indicators show that patients are being cancelled on the day of surgery much more infrequently.
- Overall hospital has moved to a 92% DOSA rate, with 100% rates being seen in groups of procedures such as colorectal surgery.
- The planning tool developed for booking management has been adopted by the Midland region.
- The Enhanced Intermediate Care beds have proved to be very successful with the opportunity to accommodate patients from within the region.

Discussion

- Dr Gilkison questioned whether the management of electives was impacting on the acute volumes.
  Mrs Clements advised that she felt that the various pathway projects and the work undertaken on LOS had impacted positively on volumes, both acute and elective.
- Dr Gilkison referred to the increase in orthopaedic FSA and questioned if this was a reflection of patients that were deemed not suitable for joint replacement surgery and referred back to their GP. Dr Gilkison noted the high rate of hips and knees but the low rate of foot and ankle surgery.
  Mrs Clements advised that the changes had occurred in the management of orthopaedic surgery following the recent employment and resignation of a surgeon, which had resulted in additional FSA. Mrs Clements also advised that there had previously been an active review of orthopaedic cases and that this was not longer necessary and it was likely that the thresholds in place may reduce. While hips and knees continue to be the main thrust of the orthopaedic service the remaining FSA can be divided to meet other needs.
- Dr Mathias congratulated the H&SS on the decreased LOS and noted that the next step was to identify the associated costings of this as positive messages for the nurse managers.
  Mrs Clements advised that there were focus groups in place to consider that type of information.
  Dr Mathias added that consideration should also include efficiencies and distribution of overall service delivery and the associated economies of scale.
- Miss Bourke questioned the Churchill exercise and was advised that this involved following and videoing a patients for a day, getting all players involved in the particular pathway and then identifying gaps, holdups etc and then focusing on improvements.
- Ms Lockett noted the pleasing results of lower expenditure, increased efficiencies without any loss of service provision.
- Ms Lockett referred to the high DNA rate for Maori and the need to reduce this. As advised the Maori Health team and Service Managers were considering strategies on how to improve this area.

- Dr Catt referred to the cardiology report and was advised by Mrs Clements that a general update would be provided at the next meeting.
- Dr Catt referred to the FSA followup ratio and questioned that while specialists should be involved in the FSA was followup work the best use of specialists time.
  Dr Mathias advised that a review undertaken in Auckland had identified that 30% of followup work was not always necessary and this equated to a SMO FTE. Ms Lockett questioned whether some of this work could be undertaken by GPs or nurses.
  Mrs Clements advised that this area had been identified as a potential project and that further information would be provided as this piece of work developed.
- Dr Catt referred to the radiology trend data presented and questioned what plans were in place to address the associated issues. Mrs Clements advised that offers had been made to Fulford to involve H&SS and P&F to undertake an exercise similar to that undertaken on elective services.
  Dr Catt advised that it was a worrying time for patients when waiting for a procedure and that having a long wait time only served to increase this.
- Mrs Borrows noted the rate of surgery cancellation and the reasons for this. Mrs Clements confirmed that hospital cancellation were generally due to acute demand and that this would improve in the new facility.

796.2 Financial Report

In the absence of Mrs Fraser-Chapple, Mr Barrett took the report as read and advised that in response to the query from the previous month that the Immunisation Co-ordinator role had been filled in April 2012 and had not been included in budget setting in January.

Discussion

- Miss Bourke acknowledged the efforts of the team in response to the financial issues, noting the results as presented to the committee.
- Ms Lockett indicated that the results were reassuring and congratulated the team on what had been achieved to date.
- Dr Mathias noted that adjustments had been made to budget FTE to not include new or short term positions established since the budget allocations were made. It was confirmed that management and planning was continuing in accordance with these adjustments.
- Dr Mathias noted the variance in senior medical staff dollars per FTE of 20%. Mrs Clements advised that this was as a result of part of the MECCA having not been included in the budget setting process but that appropriate adjustments had now been made.
- It was noted that a tool regarding the management of endoscopic services had been rolled out on a national level and that it represented a significant increase in work regarding increased volumes and collation of data.
- Mrs Clements advised that migration plans for Project Maunga were proceeding well, with training underway in advance of the planned move.
  Mr Foulkes confirmed that staff were able tour the facility the following day and that an open day for the general public was planned for Saturday, 8 June 2013.

Dr Gilkison noted that the project had proceeded well with it due to finish on time and on budget, which was unusual for a major capital project of this size. Mr Foulkes agreed that the current status of the project was exciting and great news for all involved.

- In response to the current financial results Ms Lockett questioned the current status of the culture within the hospital and the impact of the increased awareness on sustainable financial restraint. Mrs Clements advised that the morale in the hospital was high, with staff having a good understanding of the constraints and continued to come up with ideas for potential savings. The move into the new facility provided the opportunity for an increased awareness of constraint and efficiencies.
  Mr Foulkes advised that it was a 'win win' situation with the opportunity for improved clinical care within the new facility, positive financial results whilst maintaining service continuity.
  Dr Mathias advised that there still remained the Board to consider how services are to be provided in the future as further savings would be needed in the next financial year. Mr Foulkes noted this and referred to the Board's Draft Annual Plan which planned to continue the good financial management into future years.

Gilkison/Borrows
Carried

797.0 Next Meeting

It was noted that the next meeting was scheduled to be held Thursday, 4 July 2013.

…… ……
Chairman Date

TDHB Hospital Advisory Committee Task List as at 6 June 2013						
Action No	**Date Raised**	**Action Description**	**Status**	**Assigned**	**Due Date**	**Updates**
21	6 June 2013	**FSA Followup ratio** – identified as a project	To be provided	GM H&SS		
~~20~~	~~9 May 2013~~	~~**Unbudgeted positions –Immunisations Co-ordinator** – confirmation that this position should be included~~	~~Completed~~	~~GM H&SS / Management Accountant~~		~~To be provided at June meeting.~~
~~19~~	~~9 May 13~~	~~**Radiology Trend Data**~~	~~Completed~~	~~GM H&SS~~		~~To be considered for future reports~~
~~18~~	~~9 May 13~~	~~**Followup Appointment Trend Data –** Request for data to be provided as per FSA tend data already provided~~	~~Completed~~	~~GM H&SS~~		~~To be considered for future reports~~
17	11 April 13	**Cardiology Services –** End to End Report	To be provided	GM H&SS		Update to be provided at July meeting

TO CEO and Hospital Advisory Committee

FROM General Manager Hospital & Specialist Services

DATE 24 June 2013

SUBJECT Exception Report for May 2013

TARANAKI DISTRICT HEALTH BOARD

MEMORANDUM

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1 OVERVIEW

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

We are pleased with the progress made with reards to the the actions to implement the savings plan. The end of May saw $395K saved (against forecast $40K) resulting in 108% of the plan for March – June delivered.

The result of this progress has seen the consolidated forecast for the DHB improved with one month until end of financial year. Additional revenue through a good performance payment for achieving elective service and waiting targets this year, along with ACC and Clinical Training funding has also assisted this improvement in forecast.

The forecast result for the consolidated DHB for 2012-2013 is close to breakeven, which is a significant achievement. For the month of May the result is $28K better than the budgeted deficit of $47K. The Provider financial result for the year to 31 May is $4.04M worse than the budgeted deficit of $6.50M. This was made up of revenue $1.28M above budget and expenditure $5.32M higher than budget. Total expenses are 3% above budget to date and 3% higher than the same period last year

Expenditure is above average for May 2013 by $604K, with the majority of this in personnel and outsourced services. Continued work by all staff resulted in tangible savings of $1.13M against the programme initiatives, with additional savings in other areas.

As previously noted, increased workload pressure in some services, (especially mental health and neo-natal) has offset some savings and remains a challenge to balance. This pressure on services is reflected in the increased FTE count this month, however the use of supplementary staff (overtime, casuals etc) continues to trend downwards with annual leave taken at higher levels than previous years.

We are also pleased to report that whilst the focus has been on striving to achieve an improved financial performance, we have also achieved our health targets and elective and non-financial indicators.

2 ACTIVITY

DHB Funded Activity

Patient Activity Summary

Metric	Month				YTD		
	Actual	Budget	Var	Var%	Actual	Budget	Var%
Total Patient Discharge Base	1,792	1,630	162	10%	17,920	18,266	-2%
Total Patient Discharge Hawera	120	159	-39	-24%	1,817	1,869	-3%
Elective Surgical Discharge	339	381	-42	-11%	3,832	3,745	2%
ED Attendance Base	1,751	1,466	285	19%	18,507	16,131	15%
ED Attendance Hawera	1,244	1,050	194	19%	13,614	11,547	18%
Outpatient Attendances	3,343	2,787	556	20%	35,307	30,657	15%
Theatre Visits	618	585	33	6%	6,663	5,971	12%
Deliveries Base	121	108	13	12%	1,192	1,192	0%
Deliveries Hawera	2	10	-8	-80%	61	105	-42%

The total discharges through both Taranaki Base and Hawera Hospitals YTD show a variance to contract YTD of -2% and –3% respectively, with both EDs presenting a busy picture with a total of 19% above contract this month (15% and 18% respectively YTD).

Electively, OPD delivery in totality (Surgical, Medical, Allied Health) YTD was 15% above contract. We also continue to maintain our ESPI compliance.

2.1 Casemix and Non Casemix Activity

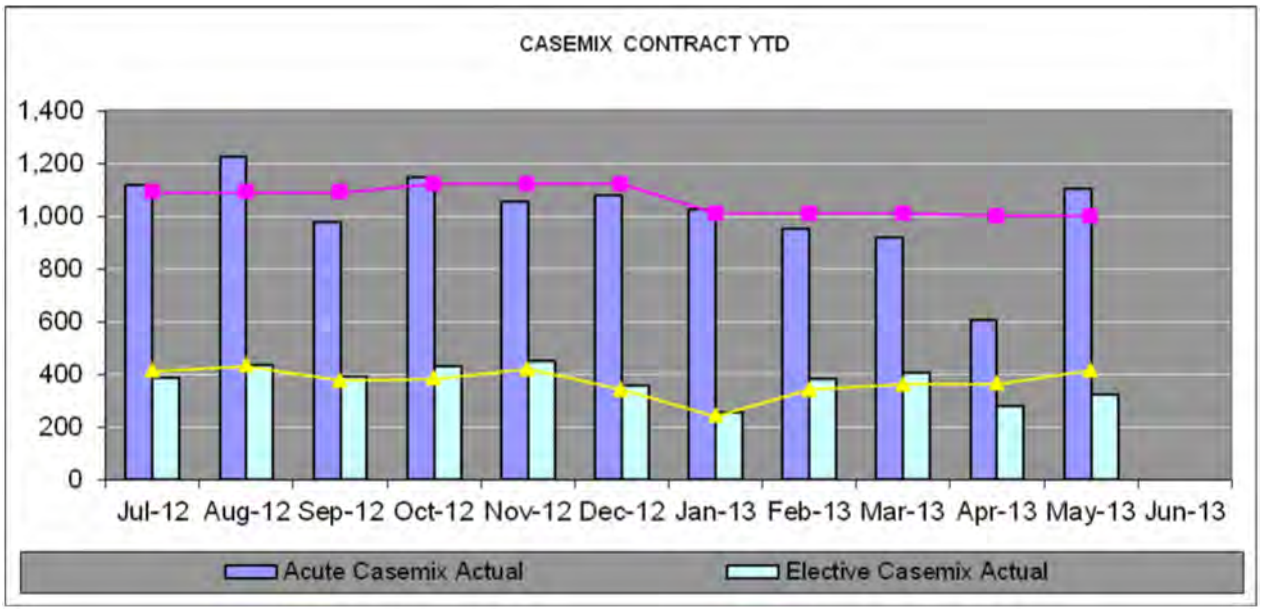
2.1.1 Casemix Delivery for 2012/13

Overall casemix delivery for May is at 1% (11.31 cwd), with the YTD casemix at -3% (-444.16 cwd).

May 2013 YEAR TO DATE result Case Mix delivery						
	Dschg	Total Cwd's	Contract	Cwd var	Avg Cwd.	% Variance
Medical	10103	5842	5989	-146.98	0.58	-2%
Surgical Acute	3460	3838	4179	-340.65	1.11	-8%
Surgical Elective	3469	3902	3931	-28.56	1.12	-1%
Total Surgical	6929	7741	8110	-369.21	1.12	-5%
Maternity & Neonatal	2705	1723	1651	72.03	0.64	4%

- Overall medical case mix for May has moved from 3% behind plan to 11% above.

- YTD medical casemix is at 2% behind plan.
- Overall surgical delivery for May remains at 8% behind plan.
- Overall elective surgery 24% behind (-97.79 cwd).
- Acute delivery is 10% ahead for May (35.63 cwd).
- YTD total surgical delivery is 5% behind contract (-369.21 cwd), however this is due to reduced acute activity with electives on target.



2.1.2 Specialty breakdown

Acute delivery

- Cardiology is ahead of contract at 34% for May, showing a decrease from the April result of 58%.
- Ophthalmology had a busy month, well above contract at 198%.
- All other specialities are also ahead for May, except for General Surgery at 0%.
- YTD Cardiology is ahead of plan (31%), as is Gynaecology (7%).
- All other specialties remain behind plan with Dental, ENT, General Surgery, Ophthalmology and Urology at -20%, -19%, -11% , -35% and -13% respectively.
- Orthopaedics is slightly ahead of the others, completing the picture at -5%.
- The decrease in acute demand has certainly been helpful for the overall hospital occupancy.

Elective delivery

- Gynaecology, Cardiology and Urology are all ahead for the month (1%, 49% and 60% respectively).
- All other specialties are behind with ENT at -34%, Orthopaedics -45%, Dental -9%. Ophthalmology and General Surgery are both at -26%. Most will have been affected by the school holiday elective surgery shutdown that continued into the first week of May.
- YTD Cardiology is well ahead of contract at 29% with Gynaecology, Urology, and General surgery also ahead (7%, 10%, and 3% respectively).
- Dental remains behind YTD at -5%, as does ENT -9% and Ophthalmology -10%. Orthopaedics is also now behind YTD at -5%.
- Total elective delivery YTD is at 0% to contract.

May-13	YTD Volumes - Actual v Contract				
	Actual	Contract	Var	% Var	Comment
Casemix	**cwd**	**cwd**	**cwd**		
Dental	207.53	229.50	-(21.97)	-10%	
Acute	55.87	70.22	-(14.35)	-20%	Demand driven
Elective	151.66	159.28	-(7.62)	-5%	
ENT	320.41	358.61	-(38.19)	-11%	
Acute	37.84	46.68	-(8.84)	-19%	Demand driven
Elective	282.57	311.92	-(29.35)	-9%	Small contracted service affected by leave of clinicians
Cardiology	633.59	484.75	148.84	31%	
Acute	440.75	335.58	105.17	31%	Over delivery is demand driven however alternate ways of addressing this are being explored for both acute and elective
Elective	192.84	149.17	43.67	29%	
Emer Med	1152.50	1281.72	-(129.21)	-10%	
Base	795.70	940.67	-(144.97)	-15%	
Hawera	356.81	341.04	15.76	5%	
Gynae	507.00	475.48	31.52	7%	
Acute	170.12	159.27	10.85	7%	
Elective	336.88	316.21	20.67	7%	
Ophth	257.59	291.30	-(33.71)	-12%	
Acute	10.74	16.61	-(5.87)	-35%	Demand driven
Elective	246.85	274.69	-(27.84)	-10%	
Neonatal	585.52	519.56	65.96	13%	A busy month

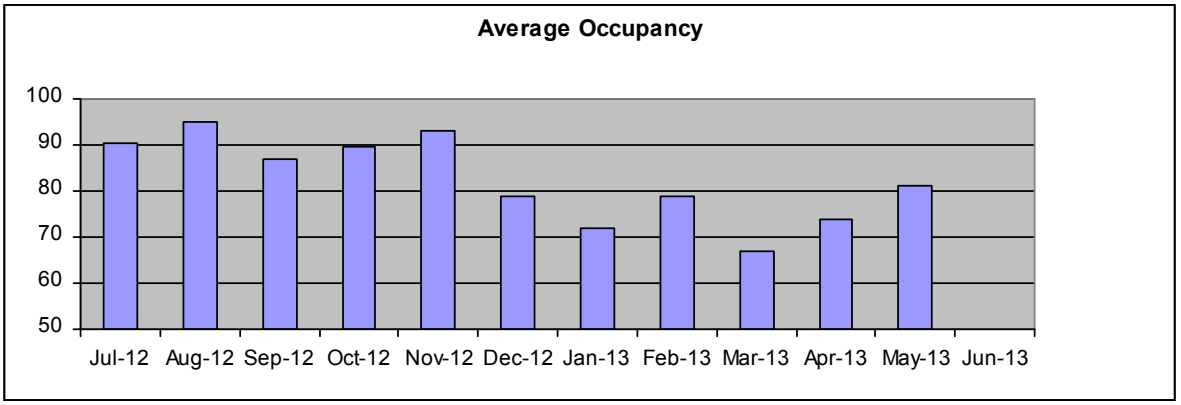
Procedure Targets

Joints: YTD 205 joints have been completed which is 38 behind the Ministry Surgical intervention rate.

Cataracts: 340 cataracts have been completed, 25 ahead of plan.

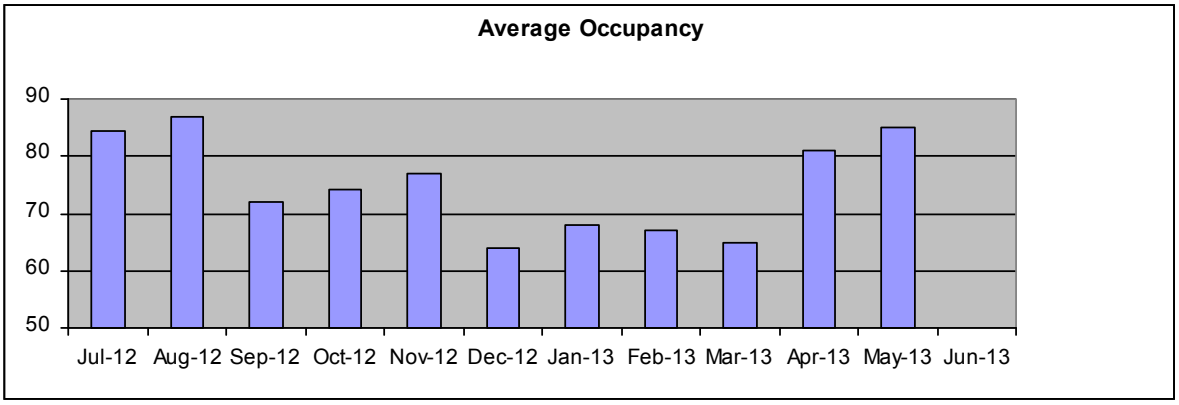
2.2 Inpatient Delivery

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



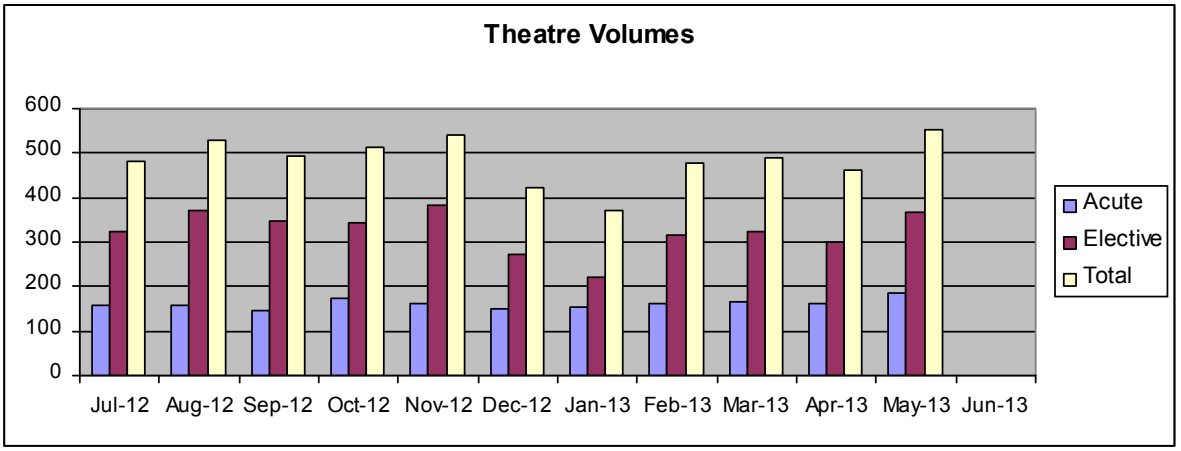
(This table reflects how many patient beds are occupied each day on average. It therefore provides an indicator of the busyness of the 4 main inpatient wards and because they make up the greater number of total hospital beds, usually the general busyness of the whole hospital. It includes a mix of acute 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 continues to remain at a lower than expected level during the May period although slightly higher than April. NNU again had a particularly busy month with 135% occupancy.

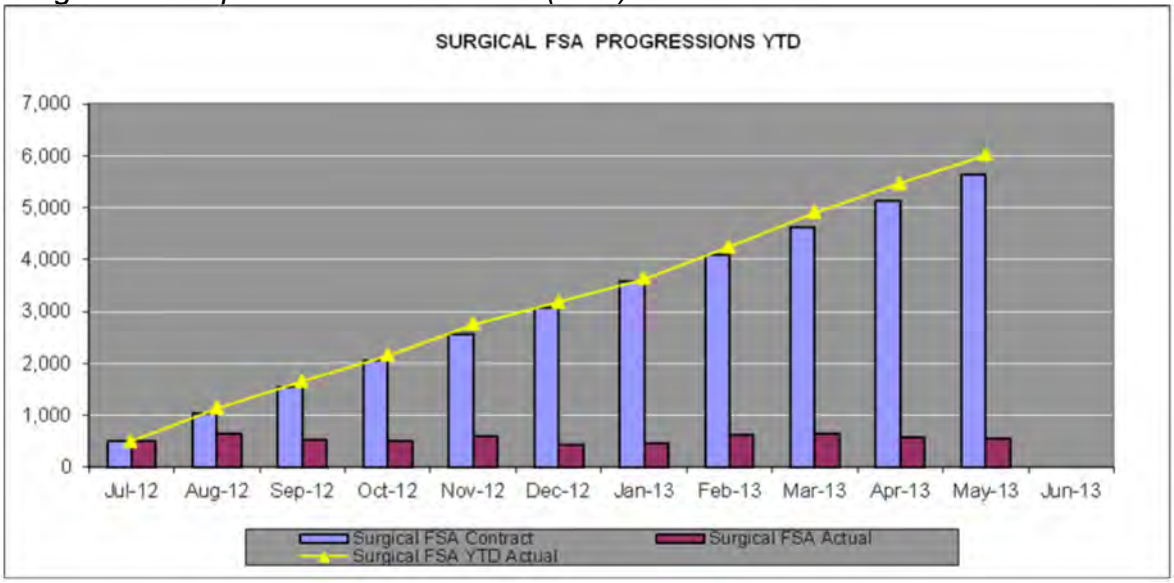
2.2.1 Hawera Inpatient Ward

The occupancy for Hawera inpatients in May averaged 30%, a decrease from 40% in April and 32% in February. The table below show the last 5 months trend for HIP:

Jan	Feb	Mar	Apr	May
47%	34%	32%	40%	30%

2.3 Outpatient FSA Delivery for 2012/13

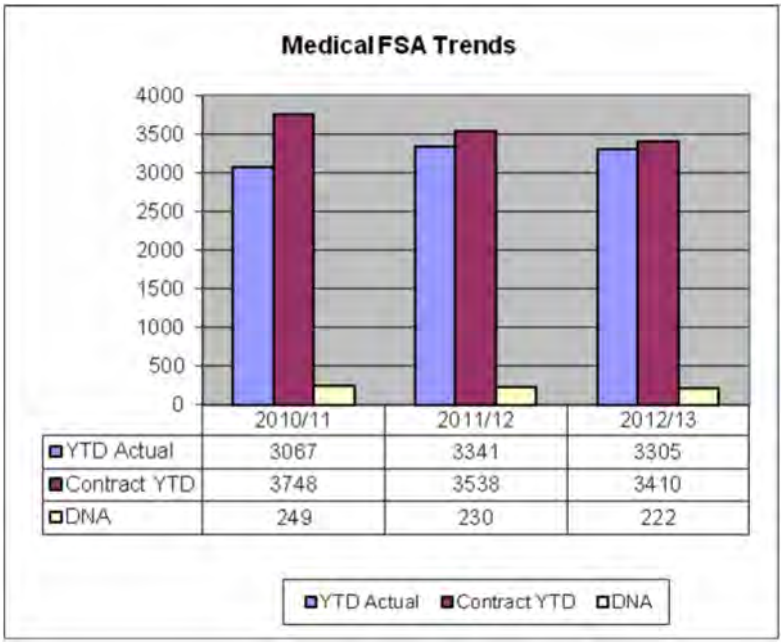
Surgical First Specialist Assessments (FSA)



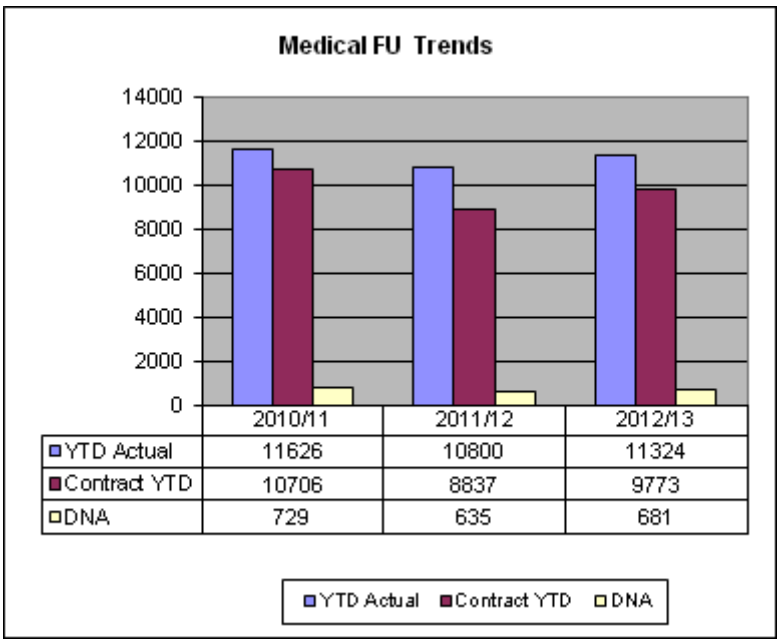
	Act Vols	Ctrct Vols	Var	% Var
General Surgery - FSA	1599	1742	-143	-8%
Ear Nose and Throat - FSA	605	660	-55	-8%
Ophthalmology - FSA	1235	930	305	33 %
Orthopaedics - FSA	1313	1008	305	30 %
Plastics - FSA	72	60	12	21 %

- Orthopaedics, Plastics and Ophthalmology are still all ahead of contract.
- ENT has made a little improvement and is now 8% behind but overall surgical FSAs are 7% ahead of contract.
- Production planning for 2013/14 is commencing with the aim of pulling outpatient attendances back to contract.

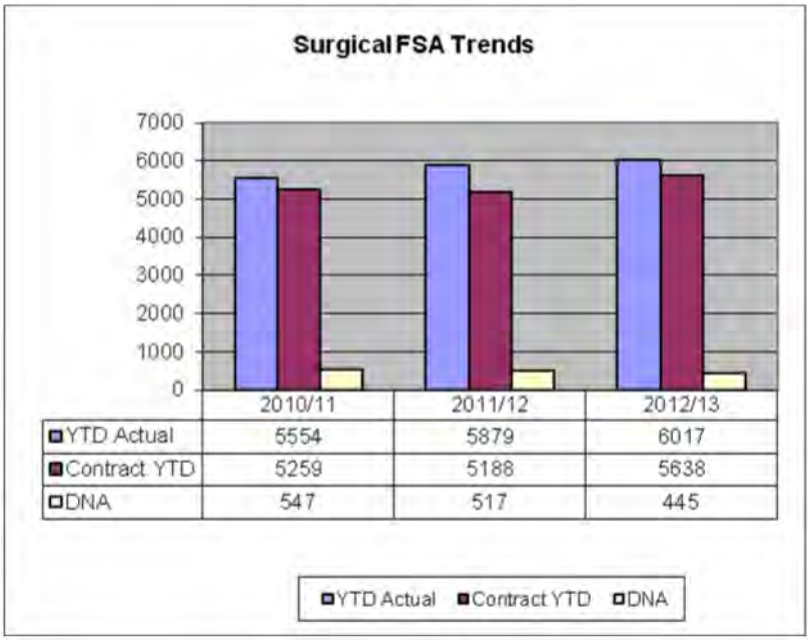
2.3.1 FSA/Follow Up Trends



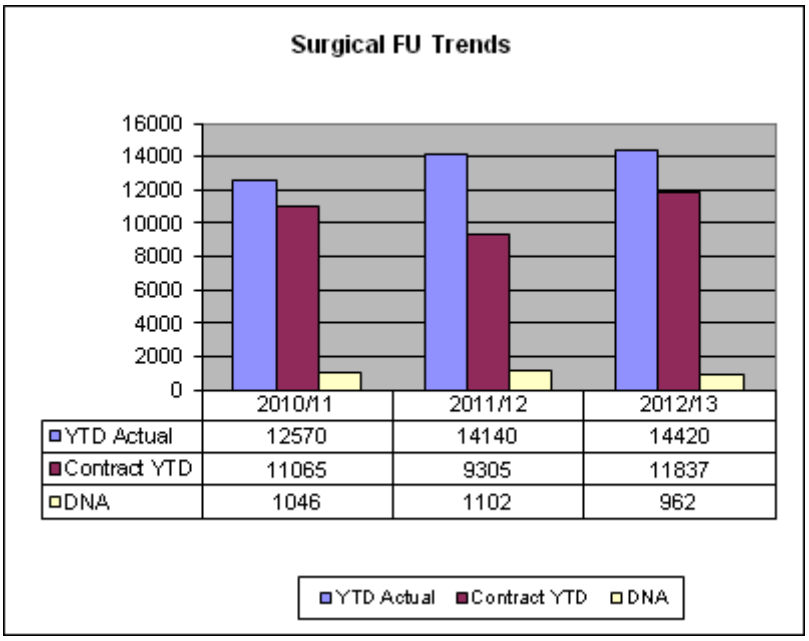
This month's delivery is slightly over contract for the month but under YTD.



As a whole, this delivery is over contract YTD.

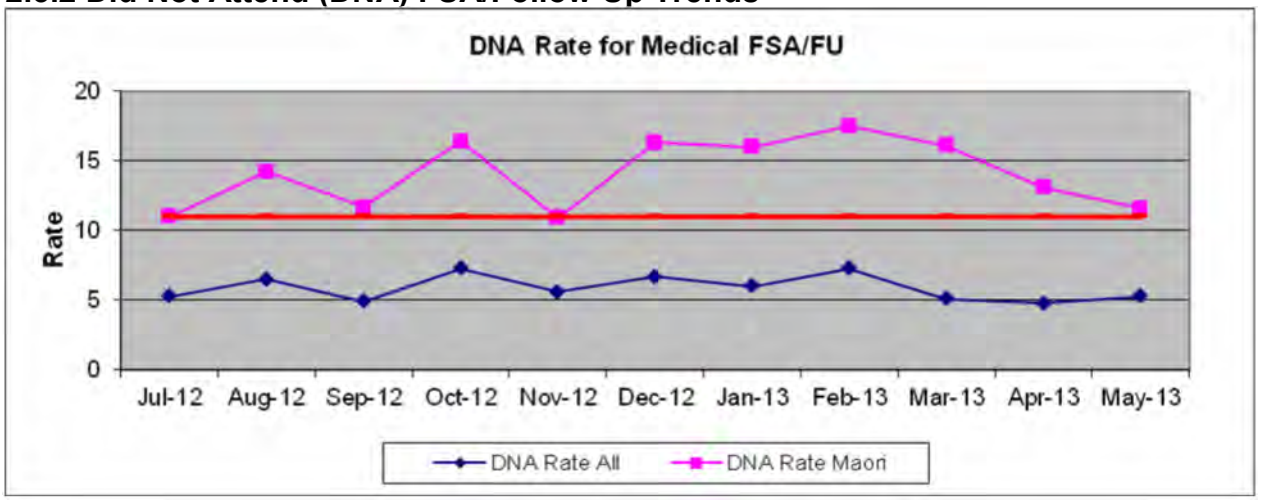


This delivery is over contract for the month, however YTD is close to contract.

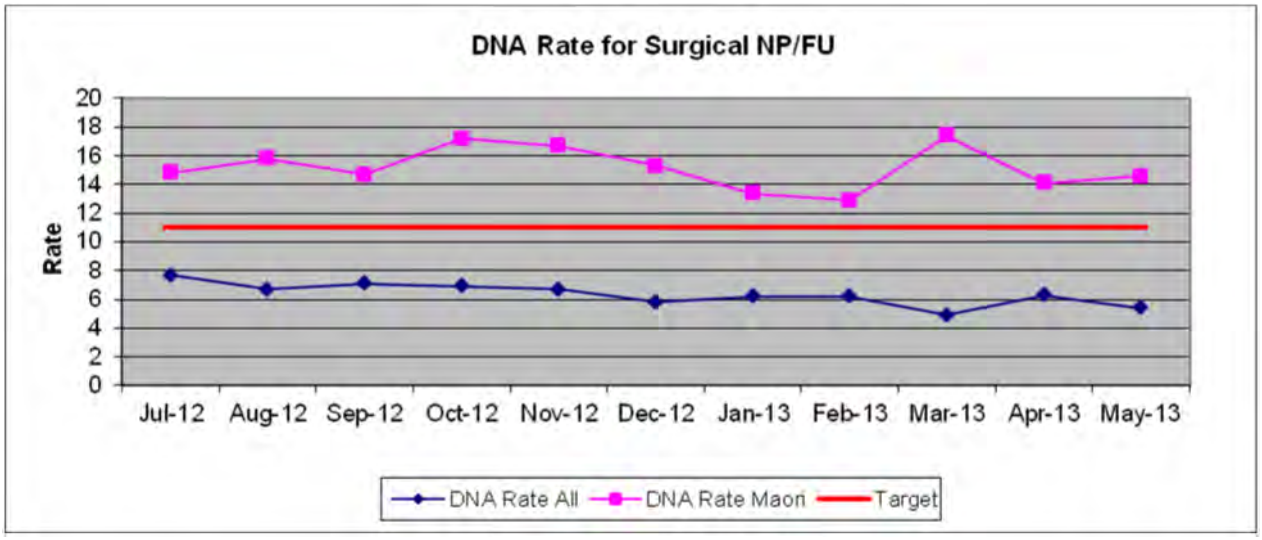


As a whole, this delivery is over contract YTD.

2.3.2 Did Not Attend (DNA) FSA/Follow Up Trends



May shows an overall DNA rate of 5.3% with the Maori DNA rate 11.6% for Medical FSA and FU.



May shows an overall DNA rate of 5.4% with the Maori DNA rate 14.6% for Surgical FSA and FU.

The DNA target for TDHB is less than 11%. The DNA rate for medical services continues the downward trend seen over recent months. To supplement this success and ensure other services also benefit, a draft project scope has been written to move this project into the next phase, i.e. to ensure ongoing decrease of the DNA rate for Maori. Recent colposcopy work aimed at improving pre appointment education specifically for Maori has been implemented and outcomes will be monitored. Cardiovascular disease, diabetes, dental and respiratory have been identified as other high need areas to be targeted as part of this project.

2.4 Waiting List Management

- **ESPI 5** We are the first DHB in the country to have no patients waiting over 5 months for treatment. We are confident that we will continue until the end of June and we will achieve the overall target for year end. This is a significant achievement for the DHB and reflective of improved processes and ongoing management of services.

- **ESPI6** All orthopaedic active review patients have now been seen by consultants and are no longer in this ESPI. We are continuing weekly monitoring of the joint replacements with the HOD joining the meetings from a clinical perspective evaluation of the prioritisation and scoring.

- **ESPI 2** In ESPI2, we had no patients waiting over 5 months for May. Neurology continues to be a pressured service reliant on visiting consultants. Whilst we are compliant currently, future delivery will need to be closely managed and options explored for alternative providers.

General Surgeons are continuing to pool cases in most specialties as required. TDHB has notified Surgeons and GPs that the process for accessing publically funded surgery is now via the single point of entry (referral centre). This will ensure equity of access for patients and assist with the management of waitlists.

2.5 ACC

- **Non Acute Rehabilitation Contract***:* We are focussed on ensuring our internal processes are robust and focussed on invoicing for ACC with regards to our Enhanced Intermediate care patients. ACC has notified us of a review of our patients against our audit results which we will be providing by 12 July. ACC representatives are meeting with TDHB on 3 July to discuss rehabilitation services and outline new strategies that ACC are considering.

- **Clinical Services Contract**: The Audit on outpatient orthopaedic and plastics visits has been completed and over $25,000 has been invoiced to ACC as an outcome. The recommendations will be implemented with a follow up audit in approximately 3 months to ensure the recommendations are in place and improvements in invoicing process are complete.

- **Elective Surgery**: May continued to be an improved month for Elective surgery. The cases completed during the school holiday elective slowdown have been invoiced and our revenue for May was $300,000. We are now at 70% of the budget (20% behind our goal). The new Elective surgery contract goes live 1 July with changes to procedure codes and an increase in pricing. New pricing calculations will be sent out to surgeons next week with a view to encouraging work in TDHB's new theatres.

- **Nursing Services**: We continue to work to streamline processes with this contract. Administration is disproportionate to the revenue at present but we will continue to work towards improving the management of the contract.

- **Pain**: These contracts still appear underutilised. Some work is being done to look at SIR rates in other areas.

- **Other contracts**: Hand Therapy and Physiotherapy contracts are running well. Hand therapy remains the best performing ACC contract.

2.6 Emergency Departments

The average number of patients per day in HED for May 2013 was 44.3 compared with 39.12 in May 2012 and 51.48 last month. Inpatient occupancy has been lower with the number of patient admissions below average. Admissions across the triage codes are lower than average, the impact of Southcare closing and the changing picture of primary care in South Taranaki does not seem to have impacted adversely on our ED workload at this stage.

Hawera ED

	May 2013	% Admitted	Average 2012/13 YTD (11 mths)	Average 2011/12
Triage 1	1	0%	2.5	2
Triage 2	84	46%	83	87
Triage 3	349	22%	385	345
Triage 4	674	3%	716	630
Triage 5	265	1%	2446	219
Total Visits	**1373**	**10%**	**1434**	**1283**

Base ED

	May 2013	% Admitted	Average 2012/13 YTD	Average 2011/12
Triage 1	8	90%	10	7
Triage 2	266	68%	196	186
Triage 3	1057	40%	987	981
Triage 4	1232	18%	1264	1138
Triage 5	250	9%	215	176
Total Visits	**2813**	**30%**	**2673**	**2488**

Presentations to the Base ED continue to be above 2011/12 average volumes. There was a 11% increase from May 2012 numbers. The increase in volume continues across all triage categories. Above average admission rate for May.

2.7 Mental Health

TPW: Combined occupancy for May was 81.9%. This figure was made up of the following patient groups:

- Adult = 83%
- Elderly = 64.5%
- Intensive Psychiatric Care = 95.2%

There were 14 clients through the Intensive Psychiatric Care Unit (IPC) in May, compared to 12 for the month of April.

Once again May resulted in another month of unprecedented number of patients requiring 1:1 nursing who were either acutely mentally unwell or behaviourally challenging. The requirement to provide clinically appropriate, quality care resulted in an additional 8FTE to meet the needs of 1:1 nursing compared to 5.37FTE for the month of April. This created significant challenges from a staff resource perspective. Where possible existing rostered staff were utilised however the pressure on the core staffing was significant.

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%	May 2013	Q3 2012/13	Average 2011/12
TBH ED	92.61%	94.39%	85%
Hawera ED	99.93%	99.95%	99.81%
Total TDHB	95.02%	96.36%	90.01%

Total target has been achieved across both EDs. Increase in both volumes and admission rate put significant pressure on the flow through ED. Note the significant improvement on May 2012 (85.61%).

3.2 Smokefree Health Target

Target 95%	March 2013	Q3 2012/13	Average 2011/12
	97.2%	95.41%	91.38%

Smokefree target has been achieved again this month with well established systems in place. Monitoring at unit level continues.

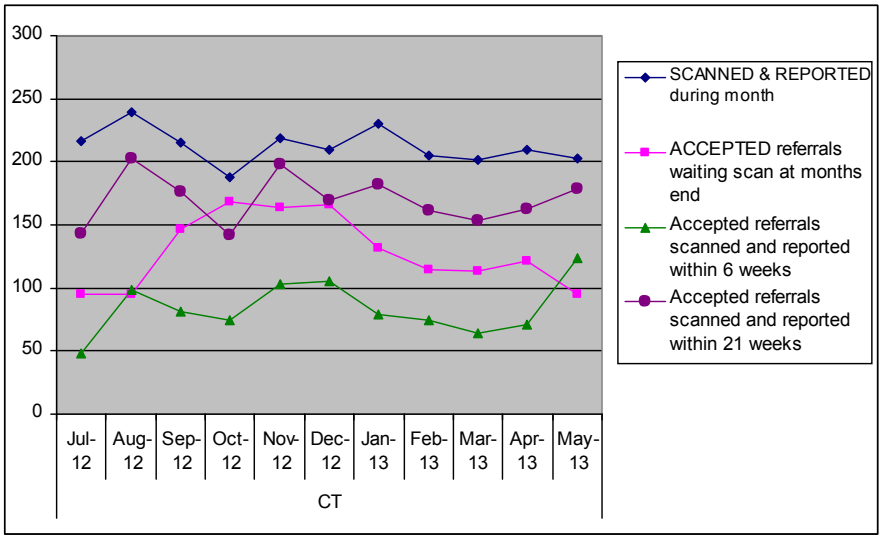
3.3 Radiology Health Target

The Provider Arm has offered to work with Fulford Radiology to ensure compliance with the new Radiology Targets set for commencement in the next financial year. This is offer has been made in various ways including process and clinical expertise/input as well as financial support.

Monthly Return for Taranaki Health (Computed Tomography, Magnetic Resonance Imaging Statistics and Ultrasound)		**CT**	**MRI**	**US**
Month = May 2013				
1	Overall Patient events (Community and Outpatient referrals)			
a)	Total number accepted referrals waiting for scan at month end	**181**	**298**	**915**
b)	Total number of referrals accepted for scanning during month	**222**	**95**	**494**
c)	Total number scanned and reported during month	**203**	**114**	**413**
d)	Total number of DNAs during month	**7**	**3**	**19**
e)	Total number of referrals not accepted during month	**8**	**1**	**16**
2	Waiting times for Community and Outpatient referrals except planned procedures			
a)	Total number accepted referrals waiting for scan at month end	**95**	**212**	**768**
b)	Number of accepted referrals waiting for scan within 6 weeks (42 days)	**72**	**56**	**318**
c)	Number of accepted referrals waiting within 21 weeks (147 days)	**95**	**170**	**752**
3	Monthly activity and demand for Community and Outpatient except planned procedures			
a)	Total number of referrals for scan accepted during the month	**177**	**79**	**435**
b)	Total number of accepted referrals scanned and reported in month	**179**	**96**	**360**
c)	Total number of accepted referrals scanned and reported in month within 6 weeks	**124**	**37**	**184**
d)	Total number of accepted referrals scanned and reported in month within 21 weeks	**179**	**49**	**357**

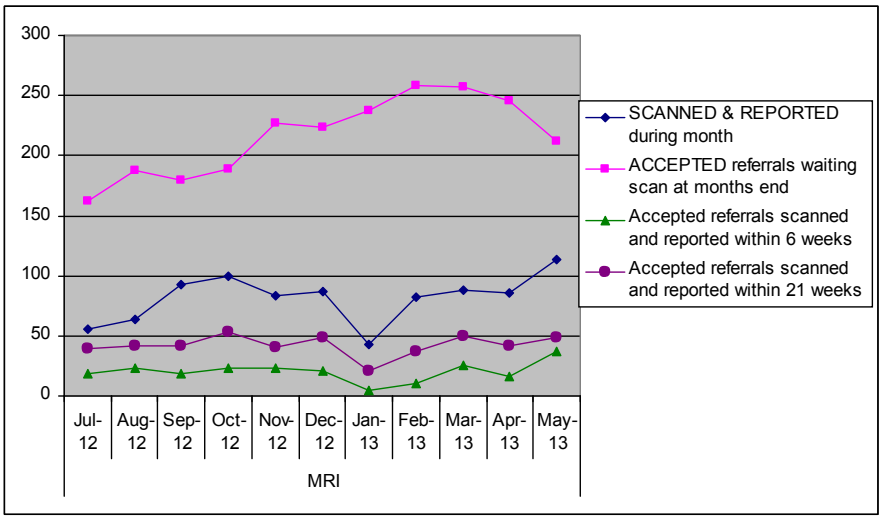
3.3.1 Radiology Wait Times

Computed Tomography (CT)



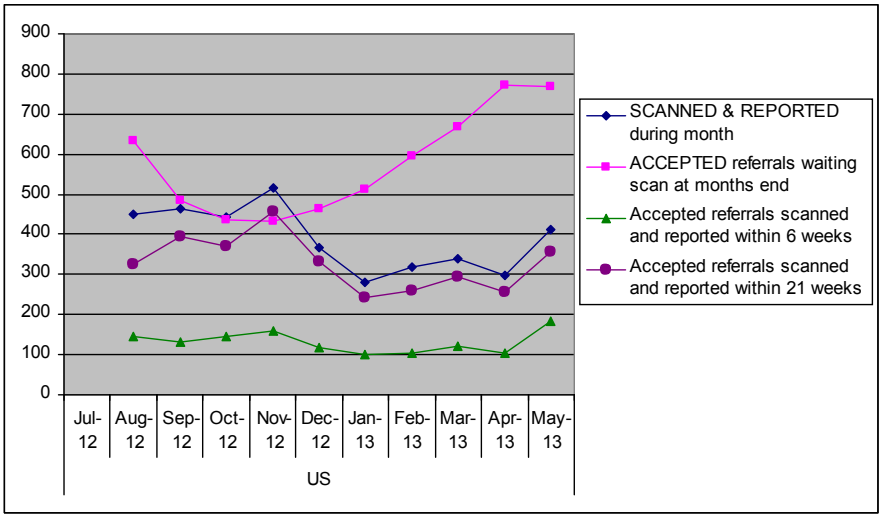
Comment: Increase in numbers scanned and reported within timeframes plus a small reduction in those waiting scan at months end.

Magnetic Resonance Imaging (MRI)



Comment: There has been a reduction in referrals waiting at months end and an increase in referrals scanned and reported. The extended hours has assisted in reducing the number currently waiting.

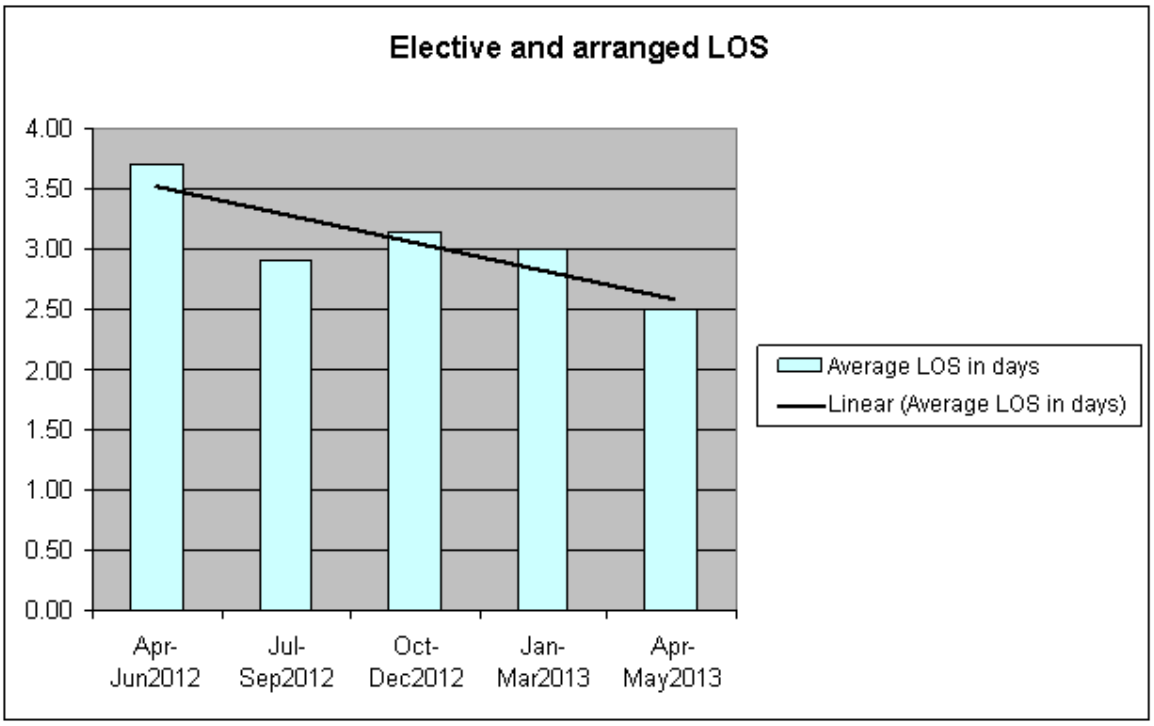
Ultrasound (US)



Comment: Fulford still unable to recruit to the sonographer position but having a locum for one week in May has meant progress has been made with managing waitlists.

3.4 Projects

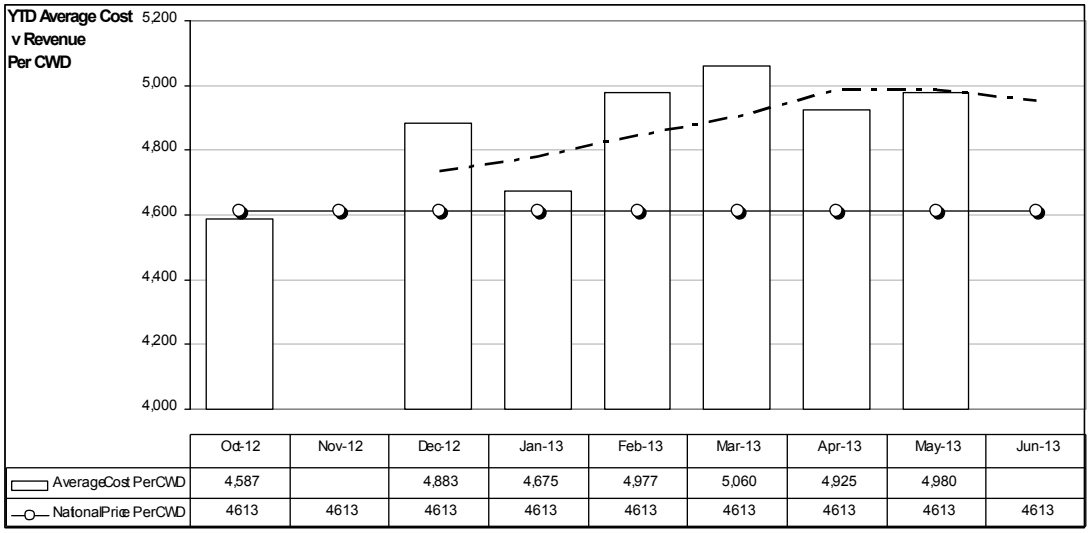
As described in section one of this report (1 Overview), hospital occupancy has remained low for some time. Data analysis has been completed which shows that the likely driving factor for this is reduced length of stay. The below graph shows a continued reduction in LOS for elective procedures (taken from the Preadmission Project Evaluation Report):



Reduced Costs from Length of Stay reductions

While the costs associated with length of stay are not explicitly "countable" as they are a single component of the care patients receive, there are other measures that indicate savings are being made. These include:

- Ability to release capacity, such as the reduction of beds by 5 in both the Orthopaedic and AT&R wards, with associated reductions in staffing, hotel costs etc. Importantly, releasing capacity has not impacted on our ability to meet MoH ESPI targets.
- The reducing average cost of Casemix for inpatient services - this is measured as the average year to date cost for all delivered Casemix volumes, so a small movement in the YTD average cost indicates a larger change in the current month, as indicated in the chart below



	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Average Cost Per CWD	4,587		4,883	4,675	4,977	5,060	4,925	4,980	
National Price Per CWD	4613	4613	4613	4613	4613	4613	4613	4613	4613

3.4.1 Cardiology Project

- Key Findings:
    - Activity and expansion have occurred without the infrastructure and systems to support it
    - Taranaki performance against a range of indicators.
        - IHD mortality and hospitalisation higher than national average with yearly statistics show a steady downward trend and rates worse for Maori
        - Primary Indicators significantly below target
        - Cardiology tests - Good Access for electives (criteria needed) but delays at times for acutes
        - Elective Angiograms – high level, over delivery, need criteria
        - Ambulatory Sensitive Admissions - Low for angina/chest pain but high for MI
        - Management of acute event - Achieving thrombolysis KPIs and timely risk stratification occurs but not achieving 3 day angiogram target
        - Performance low is low for revascularisation rates however early indication of improvement. Cardiac surgery ia at good levels
        - Performance better than national for discharge Medications
        - Length of Stay is above average for some DRG
    - Progressing integrated models of care will be necessary to improve overall outcomes.
    - Rising IDFs is a cost pressure

The Cardiology Project recommendations can be divided into three categories. The first around process and efficiencies staff can make with good patient gain and little financial cost. The second purpose of the report was to provide robust information both locally and regionally to inform decisions across the service regarding patient flow. The third category is around more strategic decision making required regarding service provision locally and regionally. These strategic discussions will be brought to the Board in the second quarter of the new financial year.

4 FINANCIAL COMMENT

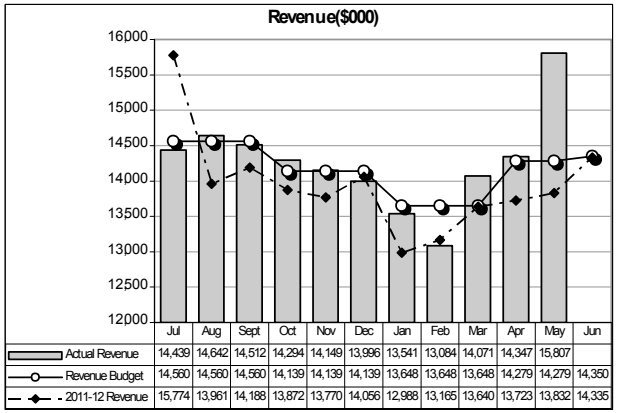
Financial Comment for the Month Ending 31 May 2013

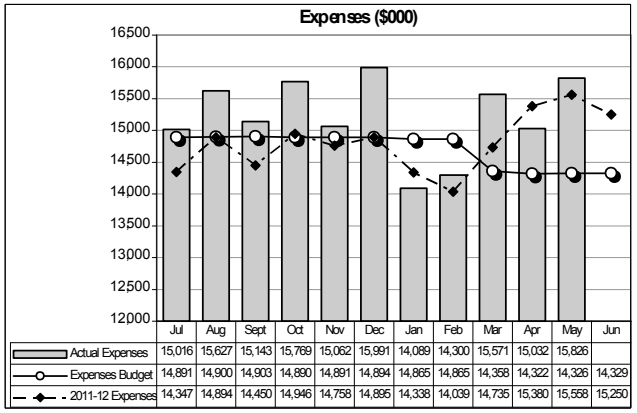
For the month of May the result is $28K better than the budgeted deficit of $47K. The forecast result for the consolidated DHB for 2012-2013 is close to breakeven, a significant achievement.

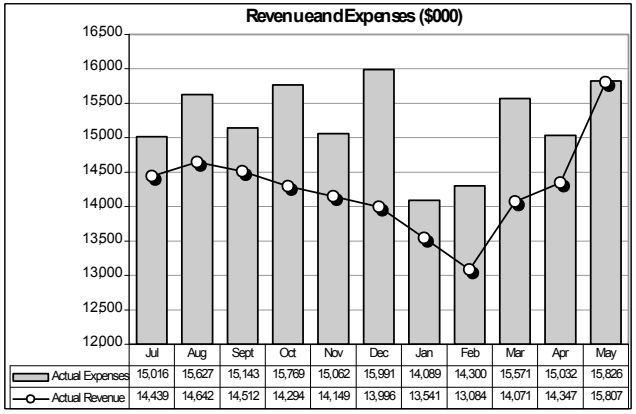
The Provider financial result for the year to 31 May is $4.04M worse than the budgeted deficit of $6.50M. This was made up of revenue $1.28M above budget and expenditure $5.32M higher than budget. Total expenses are 3% above budget to date and 3 % higher than the same period last year.

Expenditure is above average for May 2013 by $604K, with the majority of this in personnel and outsourced services. Continued work by all staff resulted in tangible savings of $1.13M against the programme initiatives, with additional savings in other areas.

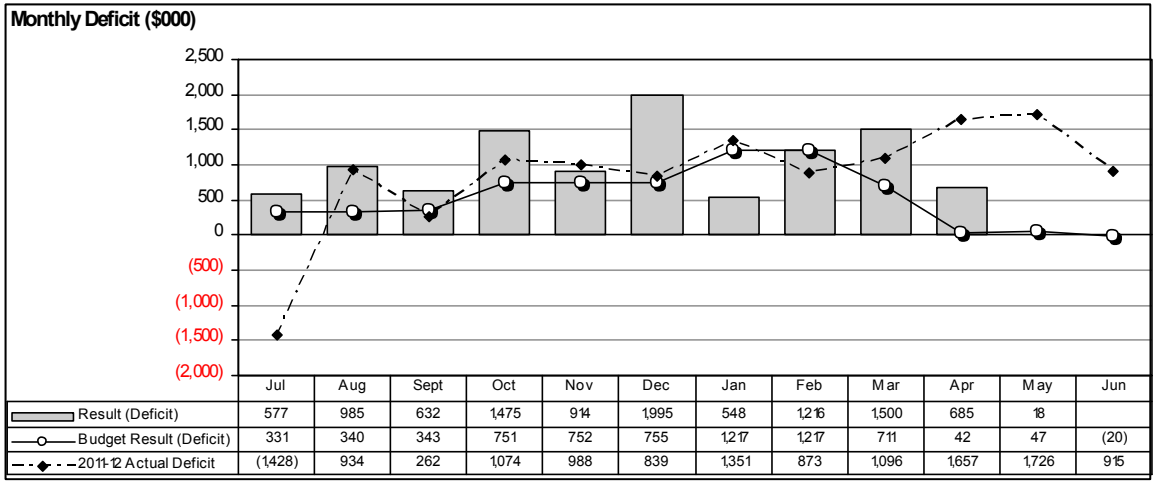
	May 2013 Actual	May 2013 Budget	Variance	May 2012 Actual	Year on Year Movement	Year to Date Actual	Year to Date Budget	Variance	Percentage Variance	May 2012 YTD	Year on Year Movement	Percentage Movement	Comment
Revenue	**(15,807,429)**	**(14,279,379)**	**(1,528,050)**	**(13,804,403)**	**15%**	**(156,882,239)**	**(155,599,688)**	**(1,282,551)**	**1%**	**(152,943,540)**	**(3,938,699)**	**3%**	Increased Internal Revenue, increased ACC revenue
Personnel Costs	9,055,656	8,355,790	699,866	8,777,615	3%	95,819,351	92,591,932	3,227,419	3%	92,209,587	3,609,764	4%	Average worked hours, high FTE use in Mental Health and Neonates
Outsourced Services	1,947,223	1,629,274	317,949	1,855,847	5%	19,595,984	17,922,034	1,673,950	9%	19,732,031	(136,047)	-1%	High cost of locums, reducing costs in other areas
Clinical Supplies	2,028,862	1,958,779	70,083	2,362,171	-14%	21,601,909	21,622,856	(20,947)	0%	22,002,386	(400,477)	-2%	Majority under budget, implants costs reducing from earlier months
Infrastructure & Non Clinical Supplies	2,794,482	2,383,808	410,674	2,377,612	18%	30,416,610	29,985,954	430,656	1%	28,308,703	2,107,907	7%	High variance to budget relating to budgeted savings
Internal Allocations	(501)	(1,680)	1,180	(340)	47%	(5,186)	(18,519)	13,333	-72%	(4,132)	(1,054)	26%	
Total Expenses	**15,825,723**	**14,325,971**	**1,499,752**	**15,372,905**	**3%**	**167,428,668**	**162,104,257**	**5,324,411**	**3%**	**162,248,575**	**5,180,093**	**3%**	
Result	**(18,294)**	**(46,592)**	**28,298**	**(1,568,502)**	**-99%**	**(10,546,429)**	**(6,504,569)**	**(4,041,860)**		**(9,305,035)**	**(1,241,394)**		

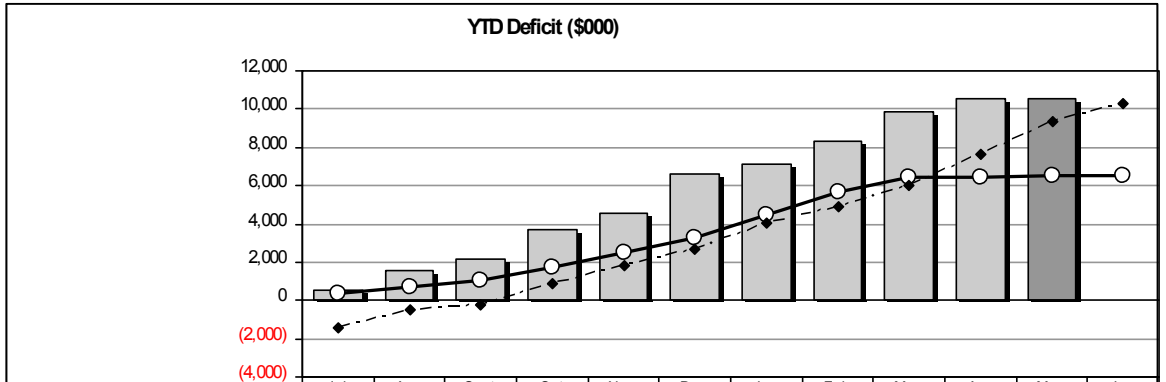






The budgeted monthly deficit follows a similar pattern to 2011-2012 actuals and is below budget for May 2013. The year to date deficit has remained static since April 2013. The current year budget deficit reduces to close to zero in the fourth quarter due to budgeted savings of $2M.



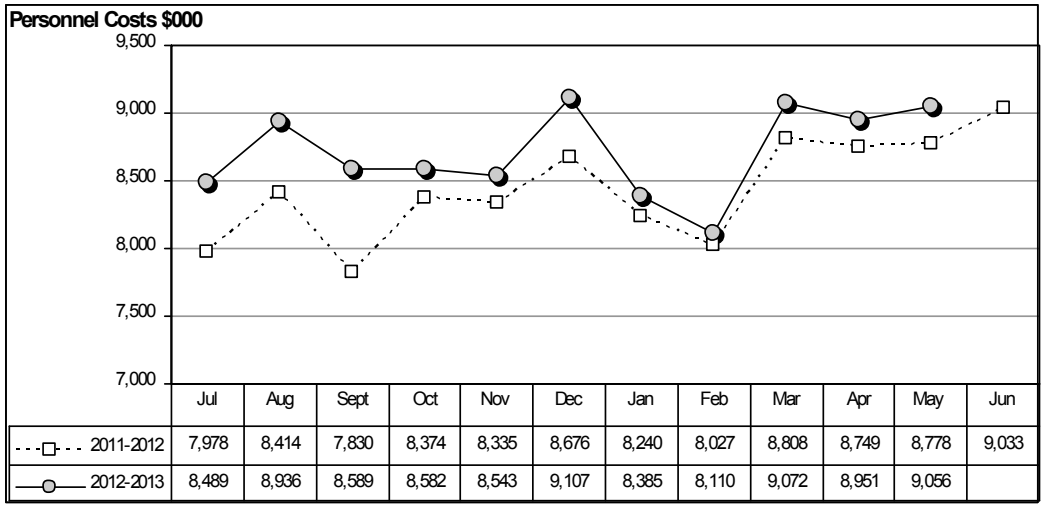


	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2012-2013 YTD Deficit	577	1,561	2,193	3,668	4,582	6,577	7,126	8,342	9,841	10,528	10,547	
2012-2013 YTD Budgeted Deficit	331	671	1,014	1,765	2,517	3,272	4,489	5,705	6,416	6,458	6,505	6,485
2011-12 Actual Deficit	(1,428)	(494)	(232)	842	1,831	2,669	4,020	4,893	5,989	7,646	9,372	10,287

Year to date personnel costs are higher than budget by $3.22M. The total year to date variance is 3% above budget. High costs continue in nursing staff ($2.11M above budget YTD) and Allied Health ($822K YTD). Overall staff costs follow the seasonal patterns of 2011-2012, with May 2013 costs similar to April 2013, despite the increase in FTE of 12.7.

The total cost of medical labour including locums is $28.38M YTD, $2.27M higher than budgeted. Management and Administration FTE continue to be under budget for both FTE and costs.

Group	May 2013 Actual	May 2013 Budget	Variance	Percentage Variance	May 2013 Actual FTE	May 2013 Budget FTE	FTE Variance	YTD Actual	YTD Budget	YTD Variance	Percentage Variance	Annual Budget	Comments
Medical Staff	2,525	2,273	252	11%	137.5	142.3	(4.8)	26,124	25,001	1,124	4%	27,273	Low ongoing occupancy has
Nursing Staff	3,685	3,345	339	10%	558.0	529.4	28.6	39,594	37,481	2,113	6%	40,826	impacted on FTE usage in
Allied Health Staff	1,323	1,205	118	10%	226.7	222.0	4.7	14,065	13,244	822	6%	14,449	personal health, extraordiary use
Support Staff	359	303	56	19%	89.4	81.2	8.2	3,722	3,333	389	12%	3,636	of constants in Mental Health,
Management and Administration Staff	1,164	1,229	(66)	(5%)	221.4	234.5	(13.1)	12,314	13,534	(1,220)	(9%)	14,763	high occupancy for Neonates
	9,056	**8,356**	**700**	**8%**	**1,233.0**	**1,209.4**	**23.6**	**95,819**	**92,592**	**3,227**	**3%**	**100,948**	
Medical Staff	2,525	2,273	252	11%	137.5	142.3	(4.8)	26,124	25,001	1,124	4%	27,273	
Locum Medical Staff	178	100	78	78%				2,256	1,103	1,153	104%	1,203	
Total Cost of Medical Staffing	**2,703**	**2,373**	**330**	**14%**	**137.5**	**142.3**	**(4.8)**	**28,380**	**26,104**	**2,276**	**9%**	**28,477**	



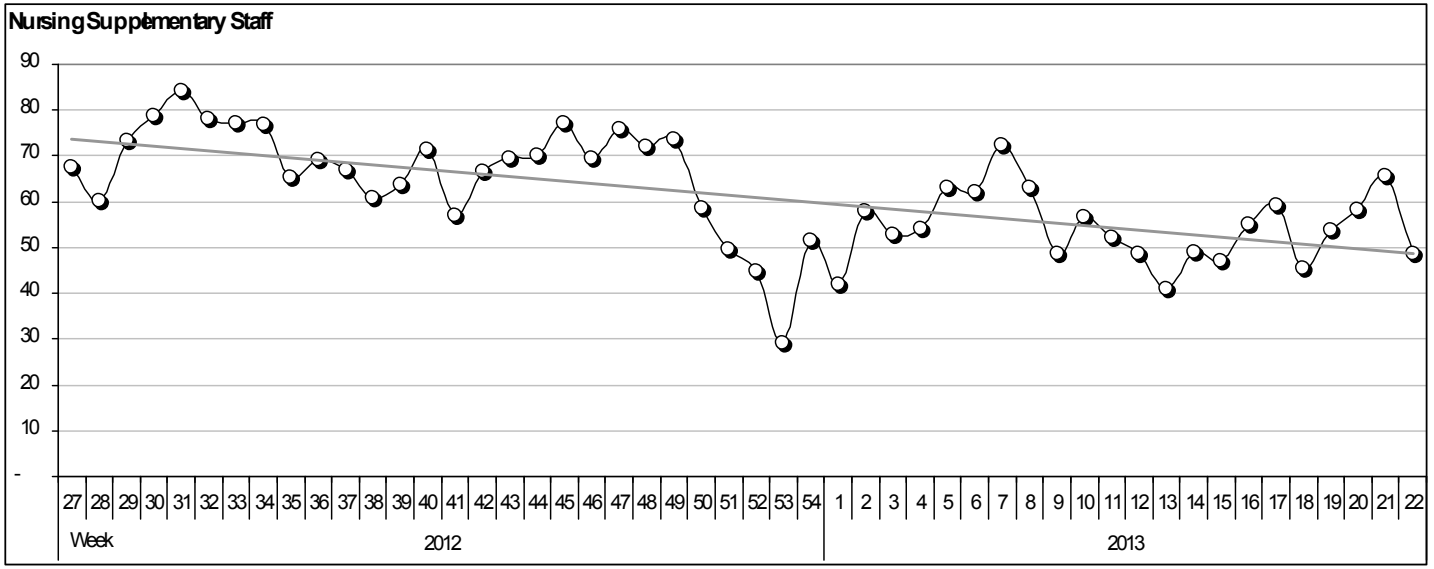
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2011-2012	7,978	8,414	7,830	8,374	8,335	8,676	8,240	8,027	8,808	8,749	8,778	9,033
2012-2013	8,489	8,936	8,589	8,582	8,543	9,107	8,385	8,110	9,072	8,951	9,056	

Provider Arm FTE are 23.6 FTE above budget, including 28.6 FTE Nursing staff. Areas with nursing usage above budget were Mental Health Acute Services, Neonatal Unit and Maternity. Vacancies in medical staff are 4.8 FTE, including ongoing vacancies at Hawera Hospital.

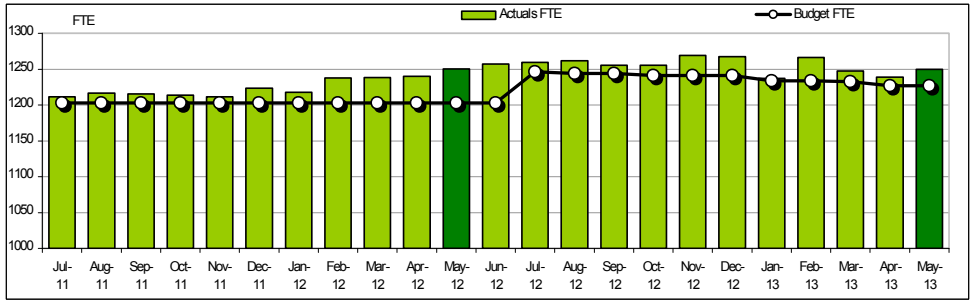
Overall FTE use has increased 12.7 FTE from April 2013, the majority in nursing staff. While overall occupancy remains below average, extraordinary staffing requirements in Te Puna Waiora for complex patients and very high occupancy in the Neonatal Unit has impacted on nursing staff use.

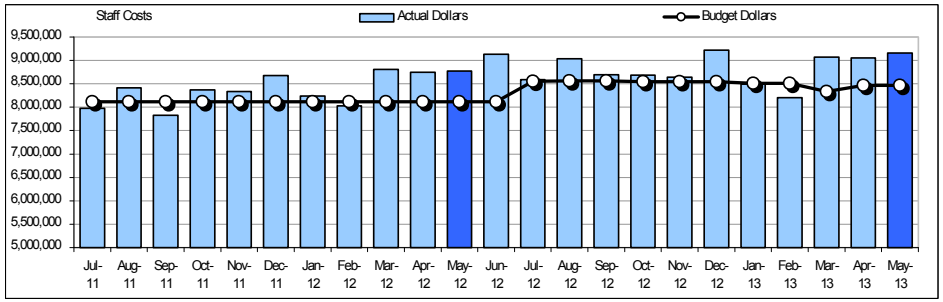
Surgical Services and Older Peoples Health & Rehabilitation Services FTE were both below budget for May 2013, partially relating to the reduction in elective surgery early in the month. This is unusual outside the Christmas/New Year period and has been achieved through careful management of demand and capacity.

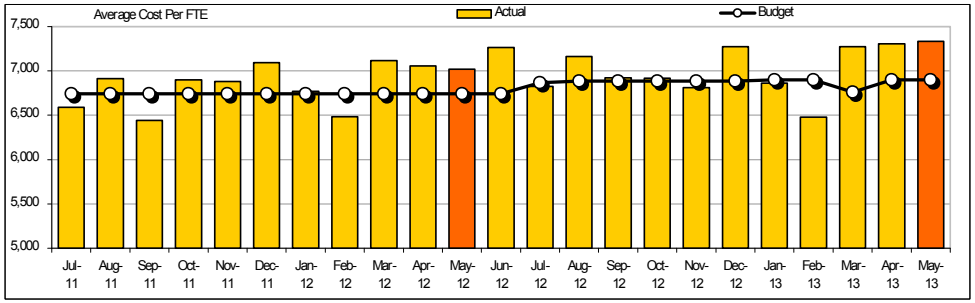
Reducing reliance on supplementary staff continues. Reductions are also evident in supplementary staff for allied health and support.

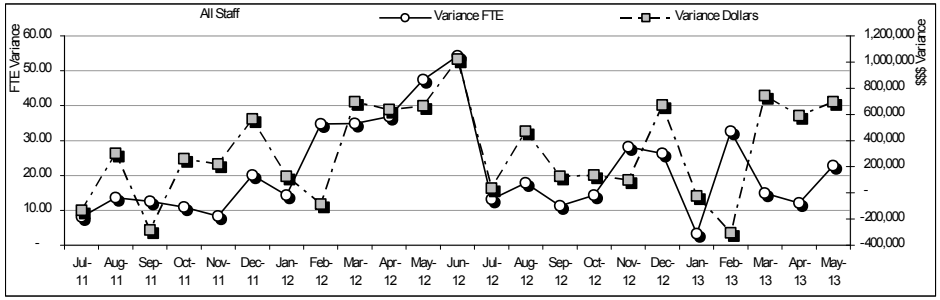


FTE numbers have reduced through-out the year as shown in the graphs below. Actual staff costs have risen with the three months from March to May 2013 higher than previous months. This is related to nursing MECA increases, medical staff cost increases etc. The ongoing reduced FTE has minimised the impact of these cost increases.









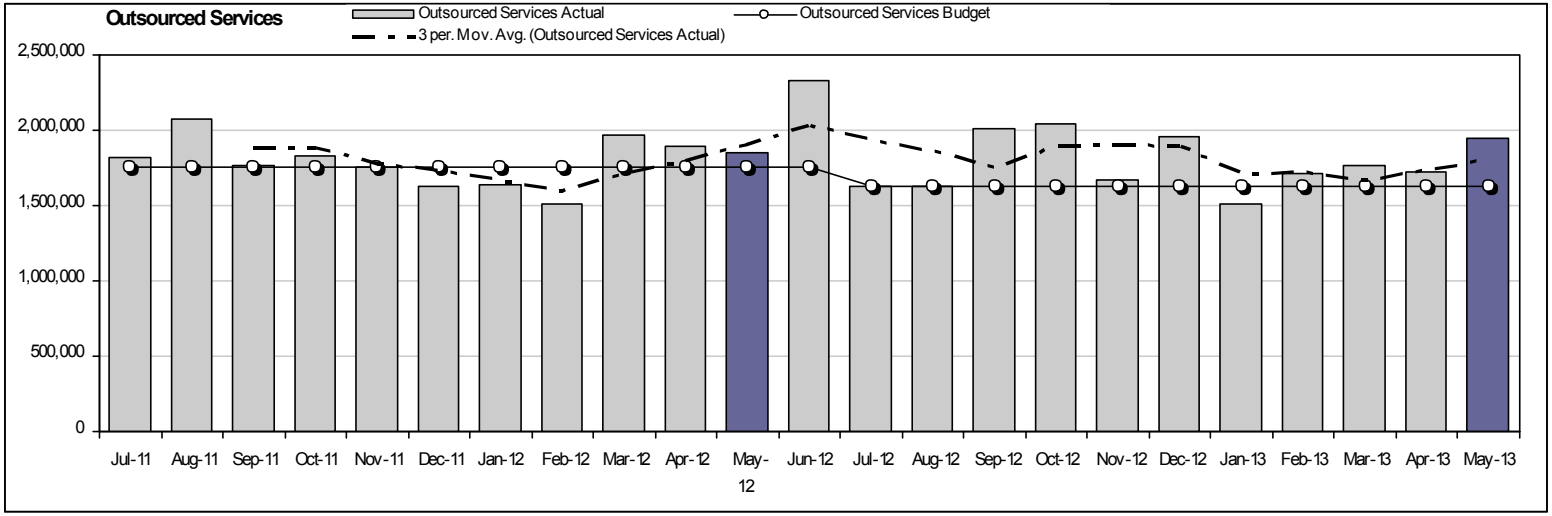
* Graphs include all TDHB staff including 17.8 FTE from Governance

Outsourced Services costs are $1.67M higher than budget year to date. While still above budget costs continue to trend downwards in the third quarter.

Outsourced Medical staff costs are higher than budget by $1.15M, with the $929K of this variance relating to locum costs at Hawera Hospital.

Referred services costs are higher than budget, relating to laboratory tests ($265K) and radiology volumes ($738K). Radiology volumes are 8% higher year to date than May 2012 contributing to cost pressures in this area. Outsourced clinical services are under budget, relating to reduced costs from ACC surgery and reduced activity.

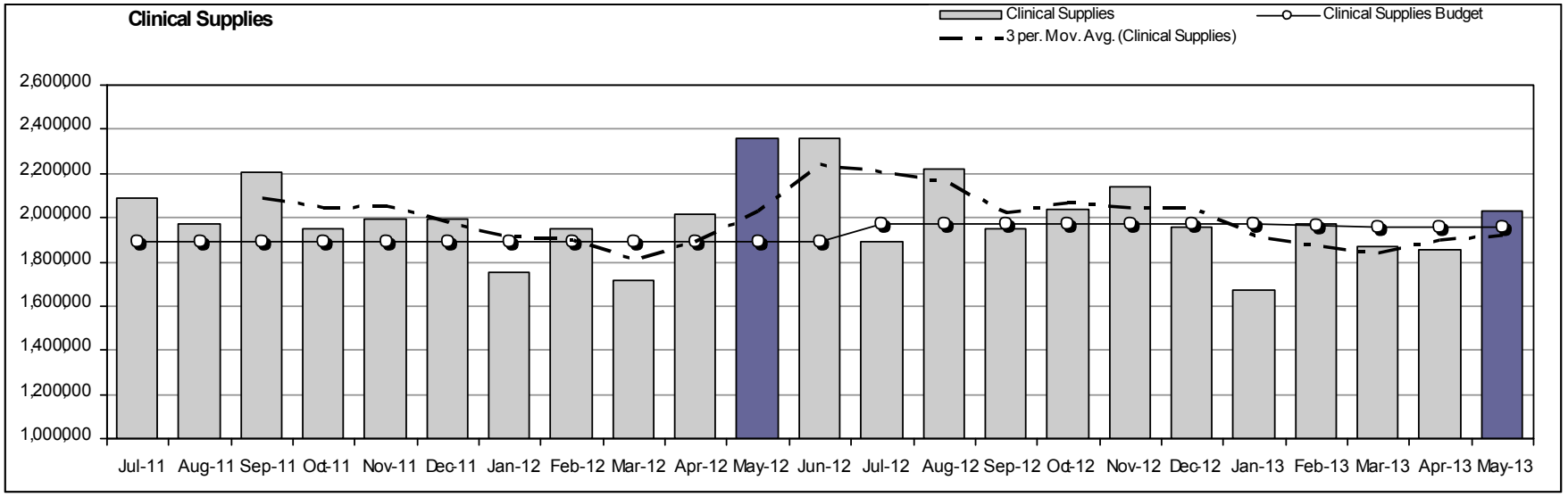
	May Actual	May Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 92%)	
Outsourced Medical Staff	178,163	100,269	77,894	2,255,540	1,102,956	1,152,584	104%	1,203,225	187%	High costs relate to Hawera Medical staff
Other Outsourced Staff	30,301	32,694	(2,393)	438,540	359,638	78,902	22%	392,332	112%	Allied Health staff offset by staff vacancy, home support staff, Stratford Health Centre management
Referred Services	758,522	610,860	147,662	7,717,535	6,719,466	998,069	15%	7,330,326	105%	Radiology costs higher than budgeted, increased Laboratory costs
Outsourced Clinical Services	980,237	885,451	94,786	9,184,369	9,739,974	(555,605)	-6%	10,625,425	86%	Reduced due to less ACC work
	1,947,223	**1,629,274**	**317,949**	**19,595,984**	**17,922,034**	**1,673,950**	9%	**19,551,308**	100%	



Clinical supply costs continue to be under budget, with May expenses $70K above the budget of $1.96M. Year to date costs are below budget by $20K. Expenditure is closely related to activity and overall clinical supply costs are consistently trending downwards from December 2012.

The major project by the Orthopaedic department to standardise implants has reduced expenditure significantly over the past two months, with May expenditure below budget. The overall saving made to date from this initiative is $120K.

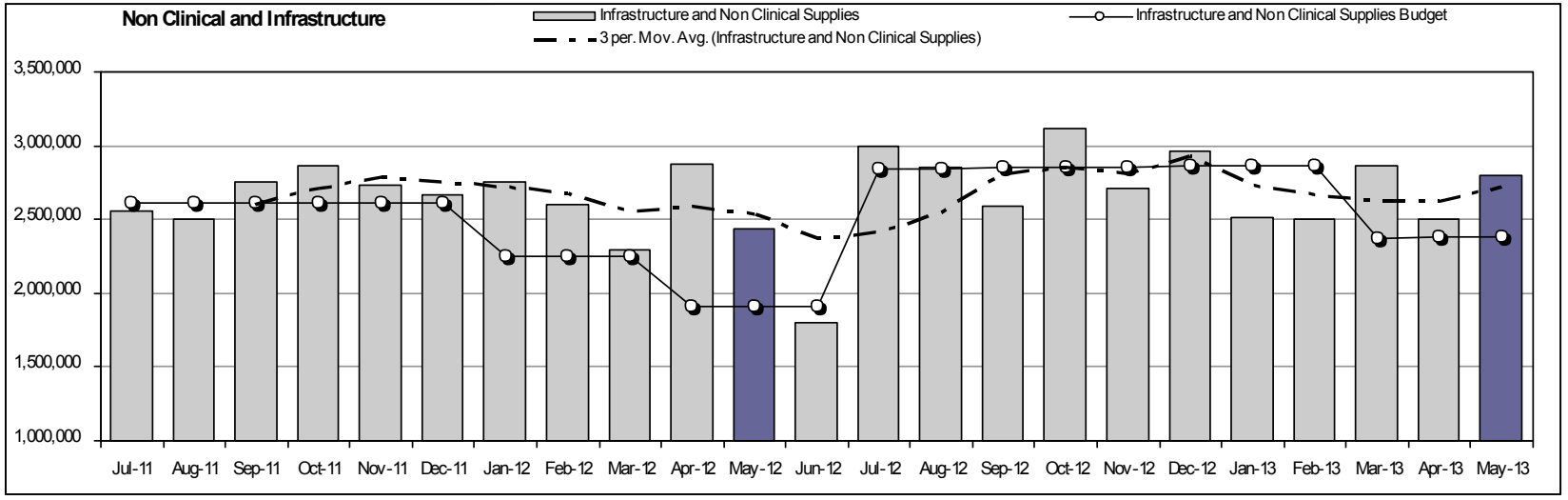
	May Actual	May Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 92%)	Comments
Patient Consumables	793,297	738,301	54,996	7,951,715	8,121,195	(169,480)	-2%	8,859,475	90%	
Diagnostic Supplies	119,644	116,229	3,415	1,205,049	1,278,528	(73,479)	-6%	1,394,754	86%	
Clinical Equipment	194,583	217,101	(22,518)	2,231,161	2,464,578	(233,417)	-9%	2,680,510	83%	
Patient Appliances	73,548	90,460	(16,912)	924,181	995,054	(70,873)	-7%	1,085,512	85%	
Implants and Prostheses	156,787	167,532	(10,745)	2,308,162	1,842,838	465,324	25%	2,010,370	115%	High costs in Orthopaedics reducing in April and May through savings initiatives
Pharmaceuticals	373,184	331,676	41,508	3,730,764	3,648,395	82,369	2%	3,980,070	94%	Costs for Cancer Treatments offset by Revenue
Patient Transport and Accommodation	312,915	288,501	24,414	3,163,742	3,173,499	(9,757)	0%	3,462,000	91%	
Other Clinical Supplies	4,904	8,979	(4,075)	87,135	98,769	(11,634)	-12%	107,748	81%	
Clinical Supplies Total	**2,028,862**	**1,958,779**	**70,083**	**21,601,909**	**21,622,856**	**(20,947)**	**0%**	**23,580,439**	**92%**	



Infrastructure and Non-Clinical costs are $410K (17%) above budget for the month and $430K (1%) above budget for the year to date. The high May variance relates to cost savings budgeted in the last 4 months of the current year, offset by savings in most other areas.

Year to date hotel services costs continue to be less than budget relating to low occupancy. Other areas of expenditure are within budget, with higher costs in other operating expenses relating to the timing of capitalisation of project expenses.

	May Actual	May Budget	Variance	YTD Actual	YTD Budget	Variance	Percentage Variance	Sum of Annual Budget	Percent Expended (target 92%)	Comments
Hotel	266,833	272,787	(5,954)	2,900,039	3,000,605	(100,566)	-3%	3,273,383	89%	Volume related costs such as patient meals and laundry
Facilities	738,649	752,785	(14,136)	8,809,067	8,276,841	532,226	6%	9,029,696	98%	Higher than budgeted depreciation costs, insurance expenses transferred between categories
Staff Transport & Accommodation	65,589	75,134	(9,545)	825,740	828,908	(3,168)	0%	904,103	91%	Costs relating to TDHB vehicles, other travel costs reducing
IT & Telecommunications	751,899	818,824	(66,925)	8,006,463	8,765,571	(759,108)	-9%	9,589,026	83%	
Interest & Financing Charges	626,366	659,633	(33,267)	7,221,225	7,255,967	(34,742)	0%	7,915,600	91%	
Professional Fees & Expenses	117,067	154,939	(37,872)	1,719,373	1,704,311	15,062	1%	1,859,250	92%	Reduced insurance expenses, high affiliation costs related to shared services
Other Operating Expenses	228,078	149,623	78,455	933,632	1,652,834	(719,202)	-44%	1,802,193	52%	
Democracy	0	83	(83)	1,071	917	154	17%	1,000	107%	
Cost Savings	0	(500,000)	500,000	0	(1,500,000)	1,500,000	0%	(2,000,000)	0%	Budgeted Cost Savings
Total	**2,794,481**	**2,383,808**	**410,673**	**30,416,610**	**29,985,954**	**430,656**	**1%**	**32,374,251**	**94%**	



GENERAL

Forums in both Hawera and Base Hospitals occurred again this month with mainly positive engagement continuing across the organisation.

Migration planning for Project Maunga is well underway with “train the trainer“ sessions for staff on track. The likely migration date into the new facility will be early August.

Gateway assessment programme has achieved over 80% of referrals this month, in top few DHB’s to achieve this and it is expected to be 100% next month.

188 Powderham Street expanding to include Sexual Health, Public Health nurses B4 school checks, TOP services, Gateway and Whanau Pakari. Community based services foster improved service for patients and families and more appropriately delivered in the community.

South Taranaki Dental clinic continues to be well utilised and accepted into the community. Some difficult to manage families have attended and are receiving dental care now. Staff continue to enjoy their new working environment (two new staff commenced in May, a dental therapist and a dental assistant). For the month of May, 506 patients were booked. The DNA rate for May was 21% - work is being done around reducing these DNAs.

Mobile clinics commenced in May at Opunake High School and Opunake Primary School.

Rangiatea community clinic now running low income high deprivation clinics, 18 patients seen in May with demand exceeding capacity. Excellent service for patients who have a community services card and who can’t afford to visit a dentist.

RECOMMENDATION

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

Rosemary Clements
Chief Operating Officer
Chief Nursing Advisor
Taranaki District Health Board