Distribution:

Committee Members:
A Ballantyne
K Eagles (Committee Deputy Chair)
F Gilkison
R Handley
T A Hohaia
P Lockett
K Nielsen (Committee Chair)
U Ritai
A Rumball
A Tamati
S Webb

Management:
Chief Executive
General Manager Finance / Commercial
Chief Operating Officer & Chief Nursing Advisor Hospital Services
General Manager Planning & Funding & Population Health
Chief Advisor Maori Health
Chief Medical Advisor
Quality Risk Manager
Management Accountant
PA to Board

Advisors:
C Gates-Thompson, Media Advisor
P Franklin, Legal Advisor
P Mayes, Relationship Manager, MoH

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TARANAKI DISTRICT HEALTH BOARD

AGENDA

HOSPITAL ADVISORY COMMITTEE

ORDINARY MEETING

OPEN

Thursday 28 May 2015
1pm

Corporate Meeting Room 1
Base Hospital
David Street
New Plymouth

HOSPITAL ADVISORY COMMITTEE

MEETING AGENDA

Thursday 28 May 2015
1 pm
Corporate Meeting Room 1, Base Hospital
David Street
New Plymouth

		Action
1.	**Apologies/Leave of Absence –** Leave of Absence from Alison Rumball, apology Sally Webb (Board members) and an apology from Tony Foulkes (Chief Executive).	For noting
2.	**Interest Register & Conflicts of Interest** • Members to verbally advise all changes to the interest register, and amend the register circulated; and • Members need to advise the Chair of any conflict with any matter that is part of the agenda papers.	Members to advise Chair
3.	**Public Comment**	Verbal
4.	**Chair's Report**	Verbal
5.	**Attendance Schedule**	Verbal
6.	**Minutes** 6.1 Minutes of meeting held 30 April 2015 *Resolution* *That the Hospital Advisory Committee receives and notes the minutes of the meeting held 30 April 2015 as a true and accurate record.* 6.2 Matters Arising	Resolution
7.	**Service Presentation** Gloria Crossley -Clinical Services Manager- Allied Health, Scientific & Technical ART – Allied Response Team	Presentation
8.	**Management Report** Hospital & Specialist Services Monthly Report. *Resolution* *That the Hospital Advisory Committee receives and notes the report of the Chief Operating Officer and associated quarterly reports.*	Resolution
9.	**Date of Next Meeting** 25 June 2015 – New Plymouth	For noting

Attendance Records 2014 - 2015
TDHB Hospital Advisory Committee Meetings

Date / Board	31/07/2014	28/08/2014	25/09/2014	30/10/2014	27/11/2014	18/12/2014	26/02/15	Mar-15	Apr-15	May-15	Jun-15	TOTAL
Pauline Lockett	✓	✓	✓	✓	✓	✓	✓	✓	A			
Sally Webb	✓	✓	A	✓	A	✓	✓	✓	✓			
Alex Ballantyne	✓	A	✓	✓	✓	✓	✓	✓	✓			
Karen Eagles - Deputy Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Flora Gilkison	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Richard Handley	A	A	A	✓	✓	✓	✓	A	✓			
Te Aroha Hohaia	✓	✓	A	✓	✓	✓	A	A	✓			
Pat Leary	✓	✓	✓	✓	✓	✓						
Kevin Nielsen - Chair	✓	✓	✓	A	✓	✓	✓	✓	✓			
TeUrumairangi Ritai	✓	AB	✓	✓	✓	✓	✓	✓	✓			
Alison Rumball	✓	✓	✓	✓	✓	✓	✓	✓	✓			
Aroaro Tamati	✓	✓	A	A	✓	A	A	✓	✓			

KEY	
✓	Attended
A	Apology
LOA	Leave of Absence
AB	Absent

TARANAKI DISTRICT HEALTH BOARD

MINUTES OPEN (unconfirmed)
HOSPITAL ADVISORY COMMITTEE

30 April 2015
1.30pm
Corporate Meeting Room 1
Base Hospital David Street
New Plymouth

Present:
Kevin Nielsen (Chair), Alex Ballantyne, Karen Eagles, Flora Gilkison, Richard Handley, Alison Rumball, Aroaro Tamati, Sally Webb

In Attendance:
Rosemary Clements (Acting Chief Executive), George Thomas (General Manager Finance & Corporate Services), Becky Jenkins (General Manager Planning, Funding & Population Health), Anne Kemp (Quality & Risk Manager), Ngawai Henare (Chief Advisor Maori Health), Greg Simmons (Chief Medical Advisor), Gillian Campbell (Acting Chief Operating Officer), Simon Barrett (Group Financial Manager), Katherine Fraser-Chapple (Financial Accountant), Cressida Gates-Thompson (Communications Advisor), Matua Ramon Tito (Kaumatua), Jenny McLennan (PA to CEO)

Ngaio Crook – IT Manager
Charles Hunt – HR Manager

933.0 Opening of Meeting
Mr Nielsen welcomed those in attendance and declared the meeting open.

934.0 Apologies
The formal apologies received from Pauline Lockett and Tony Foulkes earlier in the day were noted along with the recent apology from Te Urumairangi Ritai.

935.0 Conflict of Interest
Members were asked to verbally advise all changes to the interest register and amend the register circulated; and members to advise the Chair of any conflict with any matter that is part of the agenda papers. The following changes were noted on the register:

- Alex Ballantyne
  - Member South Taranaki District Licensing Committee
- Te Aroha Hohaia
  - Delete Hawera Rape Crisis Incorporated – Trustee & Chairperson
  - Add - Chair of Finance, Audit & Risk Committee Te Korowai o Ngaruhine Trust.

936.0 Attendance Schedule
The attendance schedule was received and noted.

937.0 Minutes of Previous Meeting

Resolution

That the Hospital Advisory Committee resolve to accept the minutes of the meeting held 26 March 2015 as a true and correct record.

Rumball/Eagles
Carried

937.1 Matters Arising

937.2 Task List

Maternity Services Cultural Survey – It was noted that feedback on the results would be provided at the May meeting.

938.0 Presentation – IT Services

Mr Nielsen introduced Ms Crook – IT Manager to the meeting. Ms Crook provided a powerpoint presentation to the committee on IT.

IT Matters

- A Day in the Life of the NZ HealthCare System
    - 50,000 GP visits
    - 105,000 prescription
    - 637 children are immunised
    - 40,000 laboratory tests
    - 2,123 children and adolescent dental check ups
    - 30,000 home care visits
    - 1,167 hospital admissions
    - 432 elective operations
    - 1.960 people seen in ED'157 babies born
    - 50,000 people take an anti-depressant
    - 73 people die
    - 3,000 ACC claims
- In Healthcare IT Matters
    - IT is central to every aspect of Taranaki's delivery of healthcare services
    - IT is at the heart of improvements in processes and clinical pathways, cost savings and efficiency
    - IT is competency that we need to gain as an entire organisation
- Snapshot of TDHB IT
    - Purpose – to provide technology that enables Taranaki DHB to delivery optimal health outcomes
    - People (our most valuable asset)
        - 38 staff
        - 240 software applications to support and maintain
        - Running 487 servers – across a network protected by 5,627 lines of code in the firewall
    - Customers
        - We receive 500 calls per week and respond to 350 emails
        - The IT Portfolio contains 73 initiatives with 28 active projects in flight

  - Costs
    - Initial per user costs - $390 / Per user (+MS office) =$1,m280
    - Some IT projects can deliver cost savings, most deliver non-financial benefits such as efficiency gains, increased quality and decreased risk
- Technology Enablers in a Changing Landscape
- National, Regional, Local
  - Fundamental shift in the delivery of Health IT services and structure
  - National and regional plans now come before local
- National Health IT Board – e-Health Vision
  - To achieve high quality health care and improve patient safety by 2014, New Zealanders will have a core set of personal health information available electronically to them and their treatment providers regardless of the setting as they access health services
  - Aims
    - Provide leadership for sector IT investments
    - Build relationships
    - Set direction
- Shared Care Plan / Continuum of Care / Common Clinical Information / Foundation Health Information
- Midland Region IS Plan
  - Goal: An integrated share care solution across primary and secondary health care providers in the Midland region
  - Objectives of key Midland Programme (espace)
    - Support integrated care focused on the patient
    - Support effective and efficient clinical practice
    - Implement effective business change
    - Strategically aligned, agile IT environment
- What are the key IT requirements to support the average ‘health system day’?
  - Resilience and certainty of service
  - Authorised and secure anywhere, anytime access to information
  - No boundaries to enable support of patient flows and new care pathways
  - Opportunities
    - Big data – Value of information = impact of decisions and outcomes
    - Removing paper – Facilities anywhere, anytime access to information
    - Telehealth – no boundaries to support patient flows and new care pathways
- Strategic Imperatives
  - As a key enabler, IT foundational to transformational change in health services provision.
  - IT investment must be managed wisely, with governance and prioritisation always linking back to organisation strategy
  - Therefore, IT must participate in forums at the right level of the organisation, to drive demand and realise value

939.0 Chairs Report

Mr Nielsen advised that once the Annual Plan 2015/16 is approved reporting will include a focus on key issues within the plan.

940.0 Management Reports

Mrs Campbell took her report as read highlighting the following:

- Health targets continue to be met and in some instance exceeded.
- ED target has been achieved for the first time in six months
- Elective results continue to be closely monitored to ensure ongoing achievement.
- Acute medical beds continue to be closed and managed appropriately.
- Provider financial results for the month of March is a deficit of $1.61M, $28K lower than budget.

Discussion

- Mr Nielsen noted the reference to a number of items of laboratory equipment nearing end of life. Mr Thomas advised that one analyser had been replaced was used by the hospital laboratory and Taranaki MedLab.
- Mrs Rumball noted that the 'Staff Turnover' results were over target. Mrs Campbell advised that this was due to results now including employees who have changed to casual.
- Mr Nielsen noted that the 'Better help for smokers to quit – hospital' results were below target. Mrs Campbell advised that this may be as a result of a low number of patients missed and remained confident that the target would be met.
- Dr Gilkison noted the high number of Triage 4 and 5 patients presenting to Hawera ED and that the numbers were not reducing at the same rate as at Base. Mrs Edwards advised that the introduction of the redirection practice was slower at Hawera and was about to comment.
- Dr Gilkison noted that reports produced from coding data were still not provided and was advised that an update of the coding status would be provided at the May meeting.
- Mr Nielsen asked what controls were in place to manage the rate of diagnostic services. Mrs Campbell advised that both short and long term initiatives were under consideration as were historic and best practices. These considerations would be discussed with clinical directors.
- Ms Tamati expressed interest in the approach of the management plans for frequently presenting patients to the ED. Mrs Edwards advised that these plans included discussion with relevant multidisciplinary teams.
- Dr Gilkison advised that while extra sessions were being undertaken in radiology MRI waiting times results were not meeting target as volumes keep increasing.
  Mrs Clements advised that discussions were underway with Radiologists to explore a long term sustainable solution.

941.0 940.1 Quality and Risk Report for January, February and March

Mrs Kemp took her report as read highlighting the following:

- Surveillance Certification Audit is scheduled for 26 – 28 May 2015.
- First focus of the National Patient Safety Campaign during May will be on preventing falls/reduction of harm from falls. Falls Prevention Steering Group have many activities planned for the campaign.
- Second focus of the National Patient Safety Campaign was reducing surgical site infections (SSI). Taranaki DHB have a SSI prevention programme in place which Is managed through the Infection Control Committee.
- Review and planning continues as required in response to information received regarding the Health & Safety Reform Bill.

Discussion

- In response to member's questions Mrs Kemp advised that a The Workplace Wellness Group had set up multidisciplinary working party to review the DHB's Nutrition Policy. The group had held their inaugural meeting and that items for discussion included the sale of soft drinks/sweets etc.
- Positive increase in hand hygiene compliance with results for end of March exceeding the required target of 800 hand hygiene moments..

940.2 Human Resources and Organisation Development – Quarter 3

Mr Nielsen introduced Mr Charles Hunt to the meeting.

Mr Hunt highlighted the following points of interest from the report presented:

- Introduction of the Vulnerable Children's Act 2014 – aim is to reduce the risk of harm to children by requiring people employed or engaged in work that involves regular or overnight contact with children to be safety check.

Mr Nielsen thanked Mr Hunt for his report and discussion'

Resolution

That the Hospital Advisory Committee receives note the report of the Chief Operating Officer and associated quarterly reports.

Rumball/Handley
Carried

941.0 Next Meeting

28 May 2015 in New Plymouth

The meeting concluded at 2.45pm

…… ……

Chairman Date

TDHB Hospital Advisory Committee Task List as at 30 April2015						
Action No	**Date Raised**	**Action Description**	**Status**	**Assigned**	**Due Date**	**Updates**
38	30 April 2015	**Information from coding data – delay in coding**	WIP	Acting COO	May meeting	Information to be provided
36	27 November 2014	**Mental Health & Addiction Services**	WIP	COO	December meeting	Clarification sought on 'improvements' terminology in scorecard
35	27 November 2014	**Maternity Services Cultural Survey –** Feedback on results	Progressing	COO	Future meeting	~~Feedback on results to be provided when available~~ To be provided at May meeting.

TO Hospital Advisory Committee

TARANAKI DISTRICT HEALTH BOARD

FROM Gillian Campbell
Acting Chief Operating Officer

MEMORANDUM

DATE 20 May 2015

SUBJECT Hospital and Specialist Services Report for April 2015

Recommendation:
That the Hospital Advisory Committee receive and note the Hospital and Specialist Services monthly report.

Please find attached the Hospital and Specialist Services monthly report April 2015, providing an overview of Hospital activity. This gives details of progress against District Annual Plan initiatives, Health Targets, financial results and activity for the month.

Please find a summarised report for April. Recent unexpected staffing deficits have impacted Hospital and Specialist services, including Service Managers and Medical Coding. This has resulted in reduced ability to report accurately on volumes and limited service level reports.

Gillian Campbell
ACTING CHIEF OPERATING OFFICER

Hospital and Specialist Services Monthly Report – April 2015

Contents

Provider Overview – Rosemary Clements

1. Scorecard – April 2015

	Measure	Actual	Target	Change from last month	Commentary
Increased Patient Safety					
Patient Falls*	# Patients				Transitioning to Midlands regional integrated quality solution
Hospital Acquired Infections*	# Patients				TBA
Pressure Area Injuries*	# Patients				Transitioning to Midlands regional integrated quality solution
Better Quality Care					
ESPI 2 Elective waitlist FSA < 5 months	# Patients	0	0		Ongoing Monitoring
ESPI 5 Elective waitlist Surgery < 5 months	# Patients	0	0		Ongoing Monitoring
Shorter Stays in the Emergency Department - < 6 Hours	% of patients	97%	95%	Improvement	Target Achieved
Complaints actioned in appropriate timeframes	% of complaints	100%	100%	-	On target
Financial Performance					
Operating Surplus/Deficit Variance to budget (current month)	$000	$3.2M U	$0	Decline	Revenue below budget, with personnel, clinical supply and infrastructure/non clinical supply costs higher than planned
Volumes delivered to contract target	% variance		0%		April volumes not yet available
FTE Employed variance to budget	FTE	3.0 FTE U	0	Decline	Higher than budget for nursing, offset by FTE savings in other areas
Improved Health Status					
DNA Rate - All ethnicities and patient categories	% of total patients	9.5%	9%	Improvement	DNA rate has improved for both the total group and Maori (from 21.8% to 20.4%). Work continues with all groups.
Better Help for Smokers to Quit	% of patients offered advice & support	94%	95%	Decline	Very close to target for all groups. Compliance will be monitored
Avoidable Admissions *	# Patients				Reported quarterly – data reporting being developed
Engaged Workforce					
Staff Turnover	% of total staff	9.2%	8%	Decline	Above target, data now includes staff moving to casual employment and target will be revised in new year.
Unplanned Leave	% of all FTE	4.0%	2.5%	Decline	Follows normal sick leave trend and remains slightly lower than average year to date
Excess Annual Leave (> 2 years entitlement)	% of employees	11.1%	8%	Improvement	Higher than target. Ongoing work with outlier staff to manage leave balances.

1.1 Overview

Please find the report for April 2015 providing the Hospital Advisory Committee with an overview of hospital activity.

Overall health targets continue to meet or exceed targets. The Emergency Department Shorter Stay target has been achieved again this month, including 96% in the Base ED. Close management of elective targets continues to ensure ongoing achievement of these.

The demand for acute medical inpatient beds has remained low and the second medical ward has remained closed throughout April. Patients have been admitted to other wards and staff redeployed to other units where there are pressures.

The Provider financial for the month of April is a deficit of $1.77M, $402K higher than budget. The year to date result continues to be worse than budget with a deficit of $11.57M, $3.21M higher than the year to date budgeted deficit.

1.2 Key Achievements

- The position of Clinical Nurse Specialist for Community and Residential Care has progressed to the recruitment phase. This position will form part of the Health of Older People team and focus on enhancing client care and staff development in the residential /community sector.
- The replacement CT scanner was installed by Fulford Radiology during the week of 13-18 April. No significant issues were reported.
- The Acute Demand Project continues with GP Redirection and Primary Options for Acute Care the two main pieces of work. The number of patients presenting to the ED has again reduced compared to the same month last year. An increased admission rate was also seen this month. GP Redirection for South Taranaki has commenced with Mountainview GP practice providing an overflow service.
- A project to address the pathway for acute urology patients and minor orthopaedics is being considered as part of the Acute Demand programme of work.
- Cardiology: The Accelerated Chest Pain pathway is implemented in both Base and Hawera Hospital Emergency Departments. These pathways will be audited to ensure improved patient and service outcomes
- Family Violence Screening project is making gains within the ED setting and 4% of female patients over the age of 16 are screened.

1.3 Areas off Track and Remedial Actions

- National Patient Flow timeframes have been moved out to October, however we are continuing to aim for go live in July 2015. This is a very difficult target, with a significant number of changes required to systems during an already busy work period.
- Laboratory equipment failures during the month have brought forward requirements for replacement equipment. Consideration of options for replacement equipment is underway.
- The Modified Barium Swallow machine in Fulford Radiology has been withdrawn due to age and equipment failure. This is of concern for the treatment of both stroke and paediatric patients. Fulford Radiology has been asked for an alternative service delivery plan. Currently paediatric patients are seen offsite but there is no solution in place for complex stroke patients.
- The DNA project continues, however the impact on DNA rates has been small. A small group of repeat DNA patients has been identified and are being managed.
- Acute Mental Health Inpatient service IPC redesign – a Project Control Group has been established and is now progressing detailed design plans

- The Coding of inpatient data continues to be a concern and we are now 6 weeks behind in coding patient events. We have managed to engage a coder short term, however a national shortage of qualified staff means that vacancies are difficult to fill. We have advertised nationally and internationally for current vacancies, however success is limited. A number of strategies have been evaluated and will be put in place to improve timeliness of coding. The ability to reach year end timeframes remains a priority.

1.4 Key Issues/Initiatives identified in coming months

- Regional e-Pharmacy programme is planned to go live in early June and is currently on track.
- The organisation is supporting two nurses from the Health of Older People to attend a Delirium Champions training day in Waikato. The intent is for these nurses to then do the onsite training for staff who manage delirium in the wards. Delirium is a considerable burden to the health sector if not managed appropriately and it has been identified within the hospital provider that resources should be focused on the next stage of the delirium pathway.
- The Alcohol and Drug Service is progressing implementation of the Alcohol and Drug Outcome Measure (ADOM) mandated by the Ministry of Health, to be in place by July 2015. This is a generic outcome monitoring tool designed for the use in the NZ A&D treatment sector, and assesses the nature and severity of AOD use and the impact on health and wellbeing, employment, relationships and self-reported involvement in illegal activity.
- Hawera Hospital are focussing on improving inter-hospital transfers. A number of concurrent work plans are in place, including working closely with St John to improve timeliness and co-ordination of transfers for acutely unwell patients, a separate group are reviewing the transfer process for neonates and the medical team are working to develop consistent and well defined admission criteria for Hawera Inpatients and direct admissions.
- The Paediatric Services continue to review how they manage children thought their service. How this service integrates with primary care is seen as a focus, ensuring we support the skills, referral patterns and discharges across the health sector.
- As part of the Faster Cancer initiatives planning is underway to incorporate social work and psychology support into the Faster Cancer Treatment team. Funding for these roles commences 1 July 2015.
- Continued progress is being made with colonoscopy waiting time targets. We are compliant with urgent and surveillance. The focus now remains on managing the semi urgent referrals.

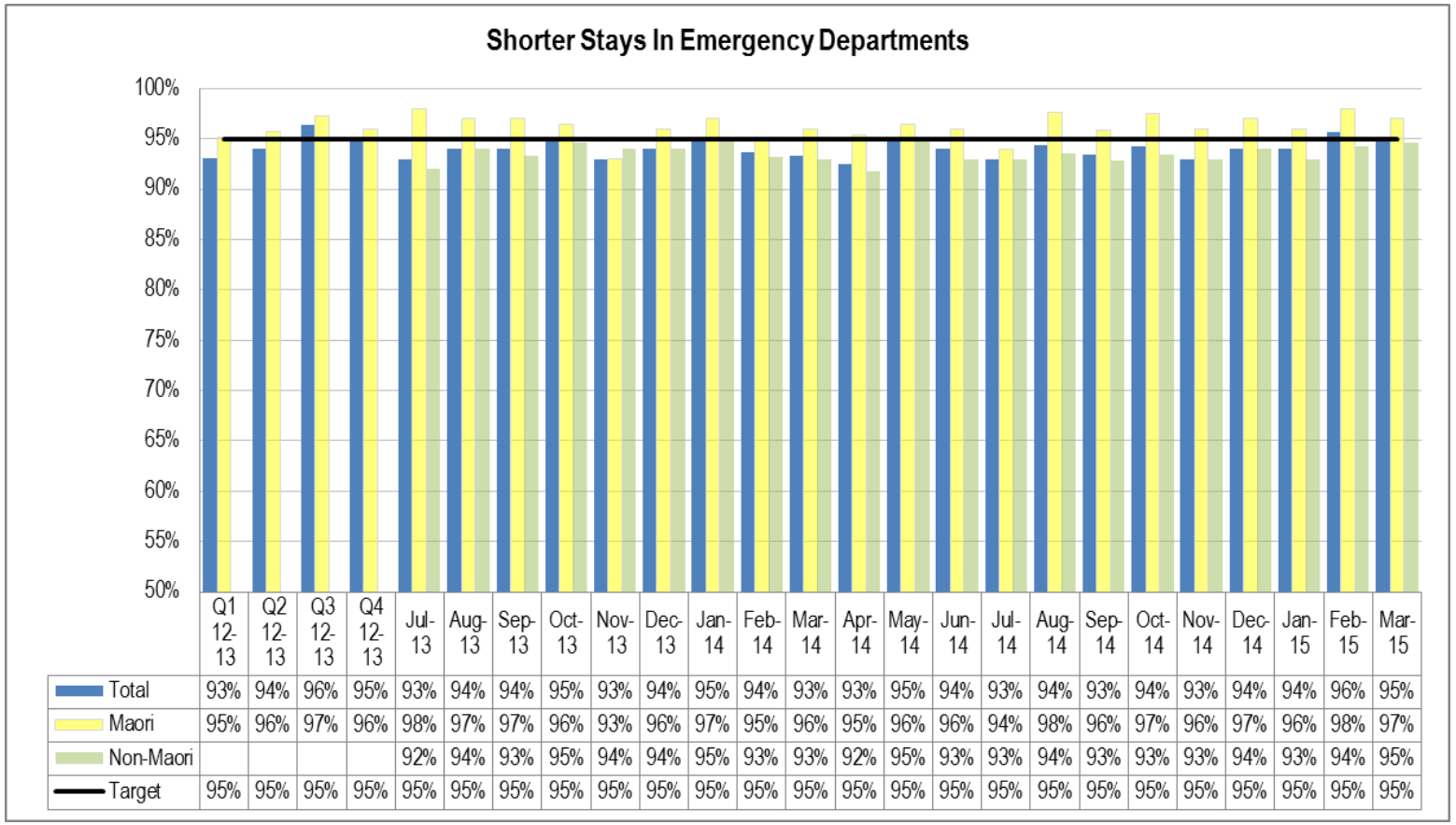
1.5 Feedback Associated with Risk Issues

Following the investigation of a complaint relating to maternity care by the Health and Disability Commissioner, questions were raised around the culture of the Maternity Unit, in particular the working relationships between Obstetricians and Midwives at the time of the complaint (March 2012). A cultural survey of the Maternity Unit was subsequently undertaken in November 2014, and staff were asked about their confidence to question practice, ask questions and have an opinion around patient care.

Following the completion of the survey and review of the results, we are assured that challenging and asking questions of each other is expected practice in the Maternity Unit and that staff have confidence to do this. All new staff to the Unit are made aware of expectations during their orientation by both obstetric staff and midwifery staff. These expectations were also added to the clinical staff written orientation package at the time of the initial complaint to the Health and Disability Commissioner.

2. Health Targets

2.1 Shorter stays in emergency departments

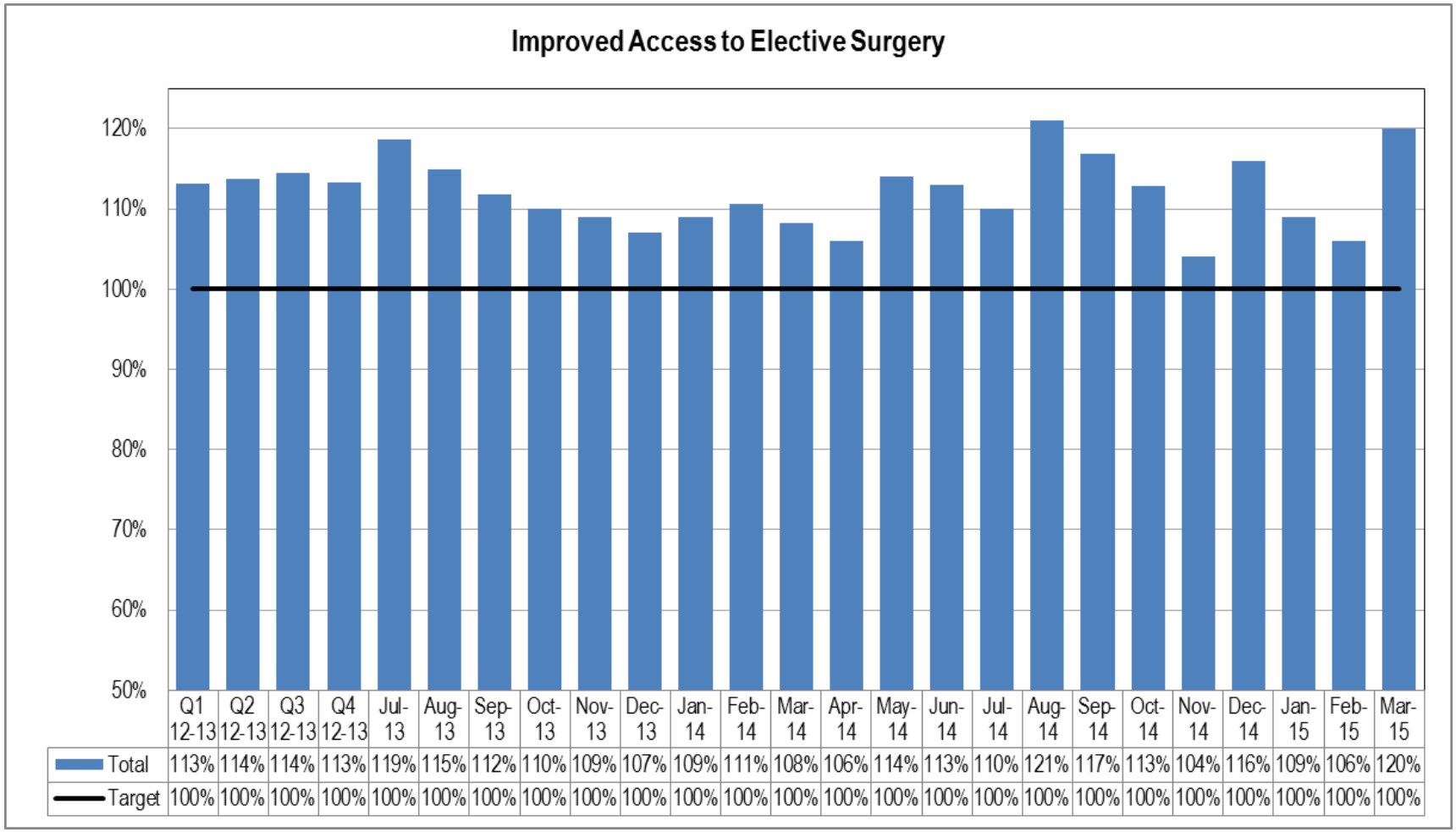


	Q1 12-13	Q2 12-13	Q3 12-13	Q4 12-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Total	93%	94%	96%	95%	93%	94%	94%	95%	93%	94%	95%	94%	93%	93%	95%	94%	93%	94%	93%	94%	93%	94%	94%	96%	95%
Maori	95%	96%	97%	96%	98%	97%	97%	96%	93%	96%	97%	95%	96%	95%	96%	96%	94%	98%	96%	97%	96%	97%	96%	98%	97%
Non-Maori					92%	94%	93%	95%	94%	94%	95%	93%	93%	92%	95%	93%	93%	94%	93%	93%	93%	94%	93%	94%	95%
Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%

*April data not yet available

Issues/Mitigations	Comments
• No current issues	Target achieved for all groups

2.2 Increased access to elective surgery



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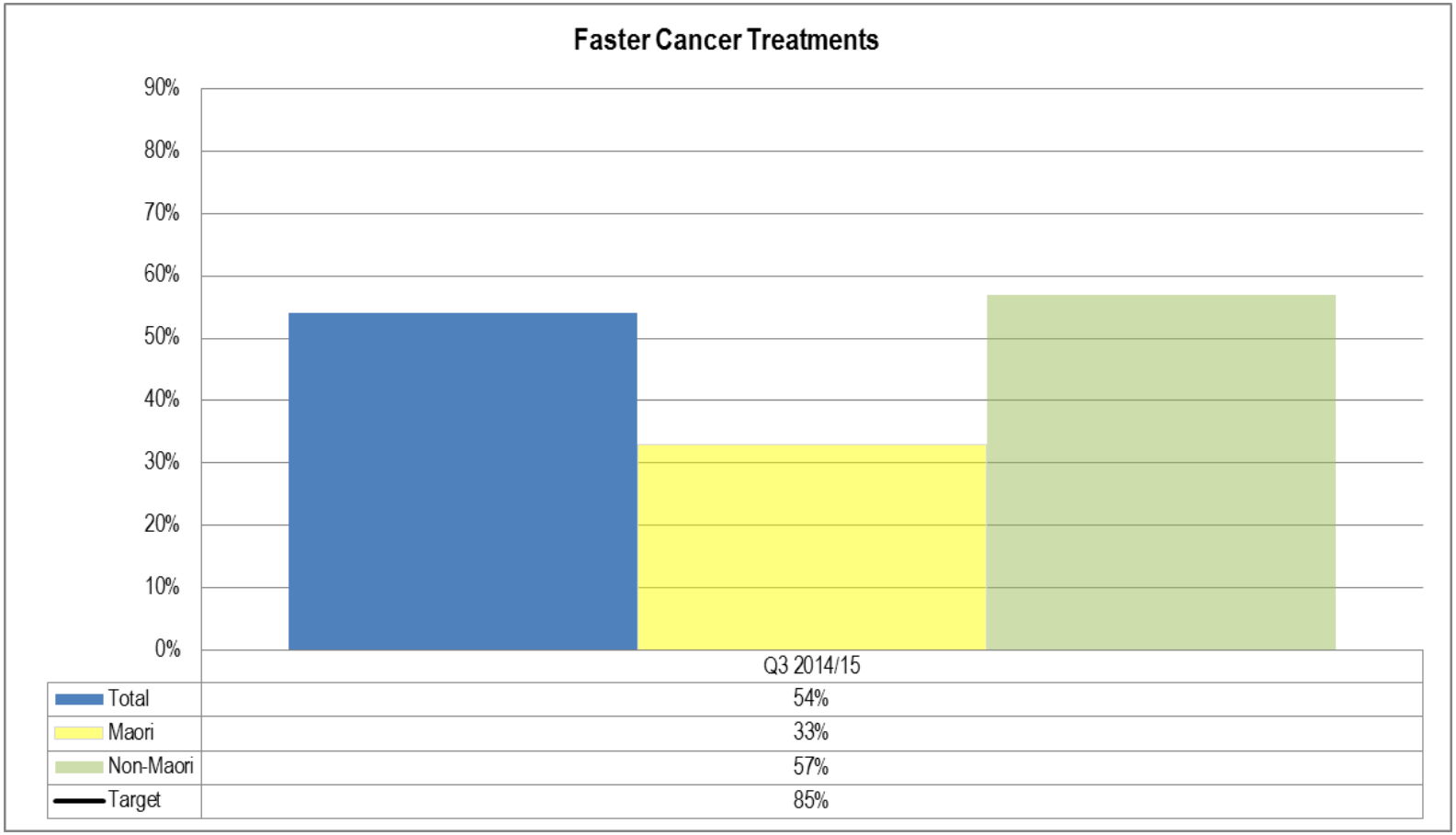
Total	113%	114%	114%	113%	119%	115%	112%	110%	109%	107%	109%	111%	108%	106%	114%	113%	110%	121%	117%	113%	104%	116%	109%	106%	120%
Target	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

*April data not yet available

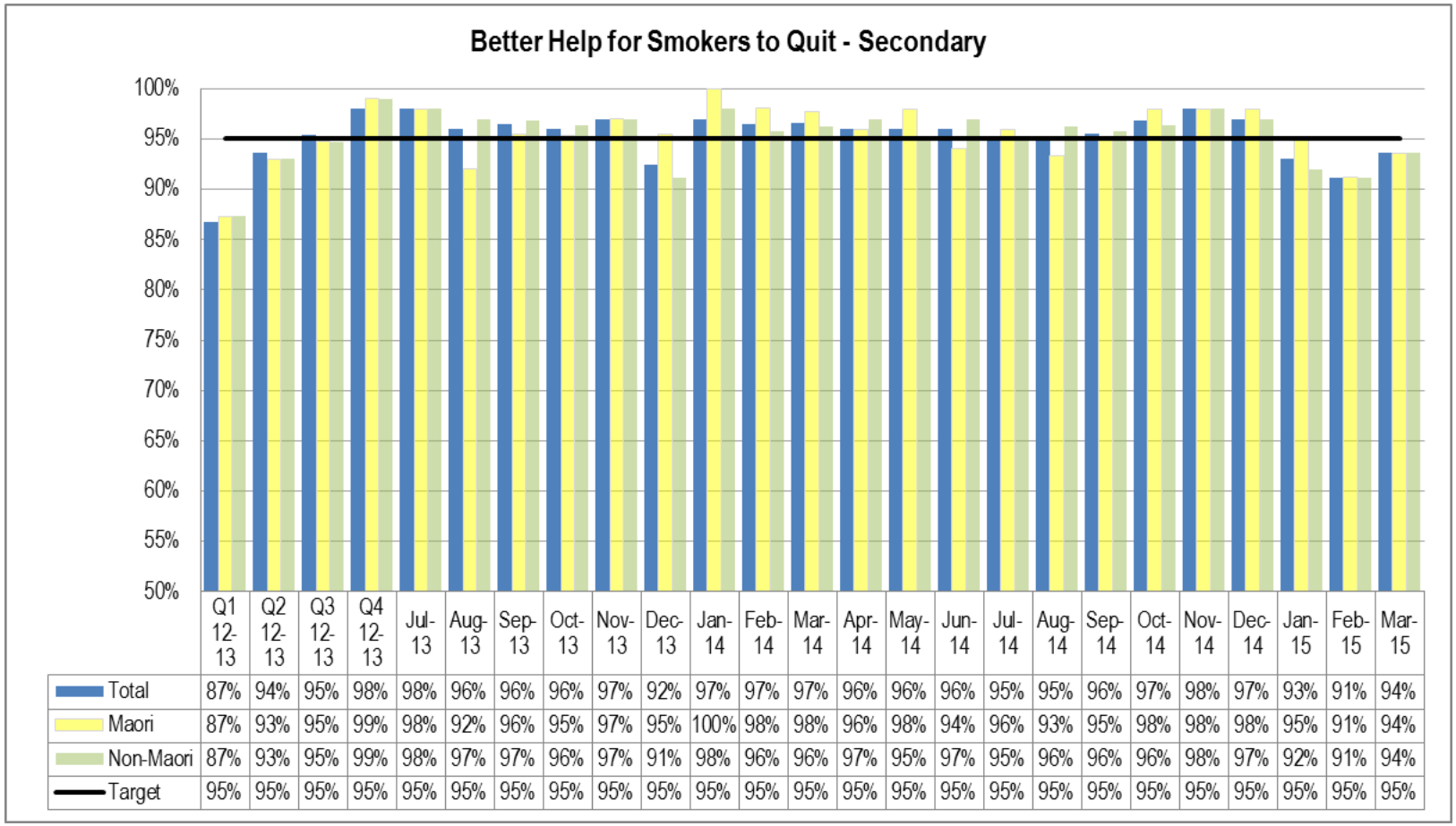
Issues/Mitigation	Comments
• No current issues	Target consistently exceeded

2.3 Shorter waits for cancer treatment (Patients to receive their first cancer treatment within 62 days of being referred)



Issues/ Mitigation	Comments
• No current issues	New Target from Q2. Project Teams are working on pathway development and progressing towards targets

2.4 Better help for smokers to quit – hospitals



	Q1 12-13	Q2 12-13	Q3 12-13	Q4 12-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15
Total	87%	94%	95%	98%	98%	96%	96%	96%	97%	92%	97%	97%	97%	96%	96%	96%	95%	95%	96%	97%	98%	97%	93%	91%	94%
Maori	87%	93%	95%	99%	98%	92%	96%	95%	97%	95%	100%	98%	98%	96%	98%	94%	96%	93%	95%	98%	98%	98%	95%	91%	94%
Non-Maori	87%	93%	95%	99%	98%	97%	97%	96%	97%	91%	98%	96%	96%	97%	95%	97%	95%	96%	96%	96%	98%	97%	92%	91%	94%
Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%

**April data not yet available*

Issues/ Mitigation	Comments
• No current issues	Slightly below target, however increasing to previous levels of achievement

3. Financial Performance

3.1 Statement of Financial Performance TDHB Provider Arm

Summary	Month Actual	Month Budget	Month Variance		YTD Actual	YTD Budget	YTD Variance		YTD % Variance	Annual Budget
Total Revenue	**(14,550)**	**(14,146)**	**(405)**	**F**	**(150,206)**	**(148,274)**	**(1,932)**	**F**	**1%**	**(177,637)**
Personnel Costs	9,741	9,152	589	U	94,010	90,341	3,669	U	4%	108,630
Outsourced Services	1,752	1,394	359	U	17,216	15,145	2,071	U	14%	18,493
Clinical Supplies	1,942	1,693	249	U	19,812	18,006	1,806	U	10%	24,259
Infrastructure & Non Clinical Supplies	806	1,117	(311)	F	9,338	11,960	(2,622)	F	(22%)	37,197
Internal Allocations	(1)	(1)	0	U	(5)	(6)	1	U	(9%)	(7)
Financial Costs	2,085	2,164	(79)	F	21,405	21,183	222	U	1%	3
Total Expenses	**16,326**	**15,519**	**807**	**U**	**161,776**	**156,629**	**5,147**	**U**	**3%**	**188,575**
(Surplus)/Deficit	**1,775**	**1,374**	**402**	U	**11,570**	**8,355**	**3,215**	U		**10,938**

3.2 Comment on Major Variances

Financial results for the month of April show negative variance to budget of $402K, with increased revenue from the Ministry of Health and other sources supporting the result. For the year to date the result remains outside budget for the TDHB Provider Arm, with a negative variance of $3.21M against the budgeted deficit of $8.35M YTD.

Revenue is higher than budget by $1.92M, coming from an increase in internal revenue and other miscellaneous income.

Staff costs are $3.69M (4%) higher than budgeted for the year to date, and $589K higher than budget for April. Staff costs are higher than average monthly costs year to date by $340K, which is attributed to the cost impact of public holidays.

Outsourced Services expenses remain high in April with diagnostic services making up 46% of the variance to budget. The costs of locum medical staff are lower than budget by $260K for the year to date, however we are experiencing higher than budget costs in outsourced services overall, with year to date costs $2.07M higher than budget.

Clinical supplies are outside budget by $1.50M for the year to date, made up of savings in patient transport and accommodation of $403K offset by high costs in implants and prostheses ($329K) and patient consumables ($1.28M).

Infrastructure and non-clinical supplies are below budget overall, with high costs in hotel services and professional fees/expenses offset by other savings.

3.3 Statement of Personnel Costs by Professional Group (Salary costs only)

$000	Month Dollars	Month Budget Dollars	Month Var. Dollars		Month FTE	Month Budget FTE	Month Var. FTE		YTD Actual Dollars	YTD Budget Dollars	YTD Var Dollars	% Var.		YTD Avg FTE	YTD Avg Budget FTE	Var Avg FTE	
Medical																	
Specialist Medical Officer	1,611	1,552	59	U	68.2	68.6	(0.4)	F	15,061	14,025	1,036	7%	U	65.1	68.6	(3.8)	F
MOSS	207	284	(77)	F	11.2	17.6	(6.4)	F	2,218	3,192	(975)	(31%)	F	11.5	17.6	(6.1)	F
Registrars	455	370	85	U	33.0	30.6	2.4	U	4,233	3,706	526	14%	U	29.9	30.6	(1.2)	F
House Officers	323	291	32	U	35.0	36.7	(1.7)	F	3,329	2,906	423	15%	U	35.8	36.7	(0.3)	F
MedicalTotal	**2,595**	**2,497**	**99**	**U**	**147.4**	**153.5**	**(6.1)**	**F**	**24,840**	**23,830**	**1,011**	**4%**	**U**	**142.3**	**153.5**	**(11.4)**	**F**
Nursing	3,970	3,603	367	U	572.3	543.6	28.7	U	37,365	35,173	2,192	6%	U	573.0	543.6	31.6	U
Allied Health	1,341	1,358	(17)	F	231.5	245.4	(13.9)	F	13,319	13,404	(85)	(1%)	F	230.0	245.4	(15.6)	F
Support	361	331	30	U	94.9	81.4	13.5	U	3,614	3,317	298	9%	U	94.5	81.4	13.1	U
Admin & Management	1,395	1,379	16	U	253.0	272.2	(19.2)	F	14,110	14,095	16	0%	U	256.4	272.2	(15.7)	F
Grand Total	**9,662**	**9,167**	**495**	**U**	**1,299.1**	**1,296.1**	**3.0**	**U**	**93,249**	**89,818**	**3,431**	**4%**	**U**	**1,296.2**	**1,296.1**	**(0.2)**	**F**

Personnel Costs

Year to date total personnel costs are higher than budget by $3.66M (4% U), with salary costs making up $3.43M of the unfavourable variance (shown in table above). Significant variances in salary costs for nursing staff ($2.19M U), and medical staff ($1.01M U) are the main contributors to the overspend. Reduced costs for locum staff brings the total cost of medical labour including locums is $26.23M, $422K higher than budget.

Nursing staff costs are higher than budget year to date, and for the month of April. Staff savings have been made due to low demand in acute wards and the continued closure of one of the acute medical wards, however a single acute ward makes up only 1.2% of total provider arm expenditure so proportionally the savings are small. Increased demand and nursing requirements in other areas can quickly erode any gains made in this area.

Sick leave has decreased to 34 FTE slightly below average, and we aim to continue at similar levels for the rest of the financial year. Overtime has also decreased to 8 FTE, the lowest level we have seen this financial year with costs dipping to 73% of the average month year to date.

3.4 2014-2015 Costs and Efficiency Initiatives

The 2014-2015 cost and efficiency programme is in place with savings across all initiatives. Monitoring of initiatives will be provided monthly to the Finance Audit and Compliance Committee.

G Reporting Notes

1 Reporting by Clinical Service

Reporting is structured by Clinical Service Group. These groups are based on those departments delivering clinical outputs that report to the individual Service Managers. Any department that does not have a clinical output but contributes to other departments is treated as an "overhead" and allocated across the services, outside direct reporting lines to Service Managers.

Revenue is received at a Service Group level, based on contracted volumes from the Price:Volume Schedule or any other revenue received. Any revenue received by an "overhead department" remains with that department and is allocated as part of the overhead allocation process.

Overhead Allocation
Overhead allocation to each service is proportional, based on data from CostPro and national costing standard guidelines.

The overhead component is 45% of total budgeted expense. This includes facilities, corporate services, management and clinical overheads that support delivery across services such as health centres, diagnostics and patient transport.

2 Internal Revenue

Internal Revenue will be passed over from the TDHB Funder in monthly instalments based on **actual** activity delivered against the Price:Volume Schedule. Prior to the 2013-2014 year internal revenue has been paid based on contracted volumes, phased quarterly.

Because the Internal Service Level Agreement between the TDHB Funder and the TDHB Provider has fixed revenue, and the DAP budget expectations are fixed for both Arms, a wash up back to the budget revenue position will be undertaken at the end of each quarter.

The TDHB Funder will continue to receive funding from the Ministry of Health in twelve equal instalments, so will report a variance in expenditure based on the volumes delivered and payments made to the Provider arm.

Activity is counted by the Management Information Unit, and translated to revenue using the contracted price for each service. Careful management of delivered volumes is an underpinning strategy for operating within budget.

Any additional services agreed in addition to the Price:Volume Schedule will follow this framework, however the revenue (and associated expenses) will be in addition to budgets.

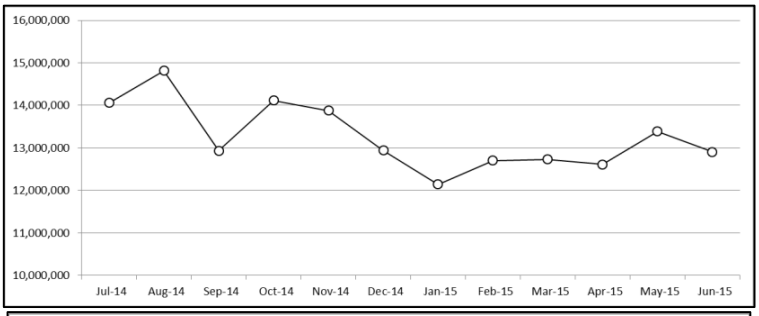
3 Budget Phasing

All 2014-15 budgets have been phased to match expected productivity and occupancy, with different revenue and cost elements assessed separately. Phasing has been undertaken on the following basis:

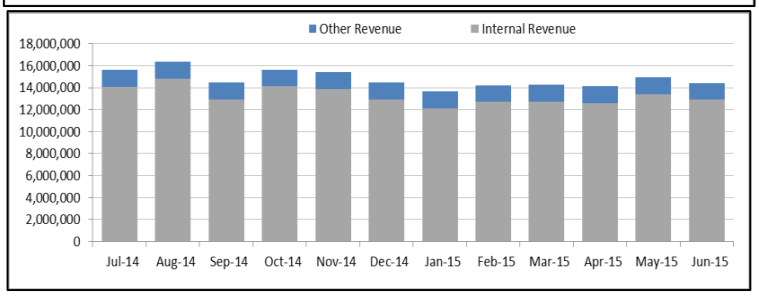
Revenue
Internal Revenue - Based on Historical Trends and Production Plan - per Purchase Unit

Case Mix Revenue	Elective	- Based on 2014-2015 approved Production Plan
	Acute	- Based on historical seasonal trends
Non Case Mix Revenue	Outpatients	- Based on historical delivery trends
	Inpatients	- Based on historical delivery trends
	Mental Health Outpatients	- Based on equal monthly values (FTE based contracts)
	Mental Health Inpatients	- Based on historical delivery trends
Other Provider Revenue	Spread to twelfths	

Internal Revenue Phasing



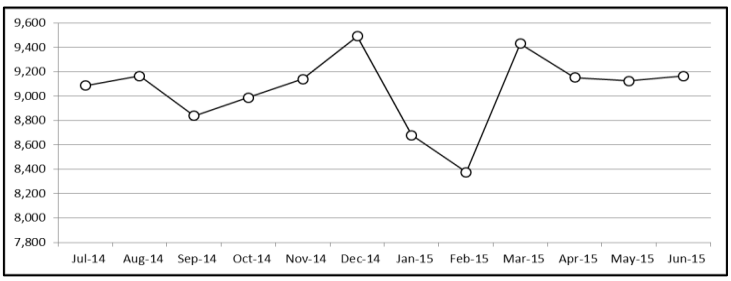
All Provider Revenue Phasing



Personnel Costs

Salary and Wage Expenses	Historical expense patterns
Other Payments including meals, training etc	Historical expense patterns

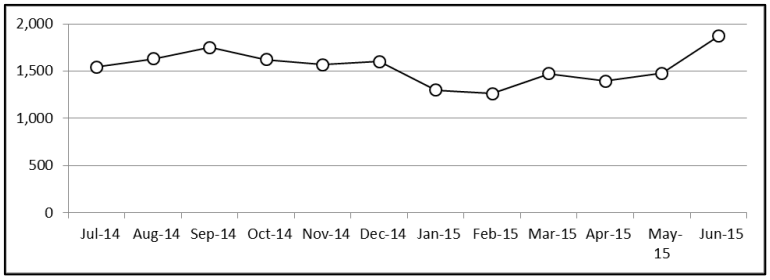
Total Personnel Costs Budget Phasing



Outsourced Services

Locums	Twelfths - requirements unknown in advance
Radiology	Historical expense patterns
Outsourced Clinical Services	Twelfths - contracted services

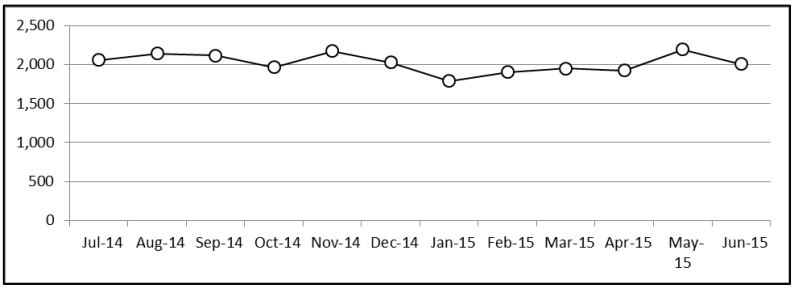
Total Outsourced Services Budget Phasing



Clinical Supplies

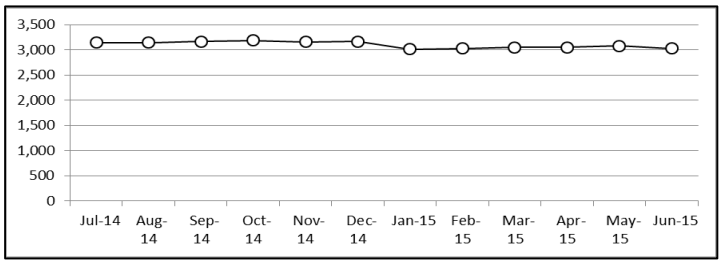
Treatment Disposables	Historical expense patterns
Diagnostic Supplies & Other Clin Supplies	Historical expense patterns
Instruments & Equipment	Twelfths - requirements unknown
Patient Appliances	Historical expense patterns
Implants & Prostheses	Historical expense patterns
Pharmaceuticals	Historical expense patterns
Other Clinical & Clients Costs	Historical expense patterns

Total Clinical Supplies Budget Phasing

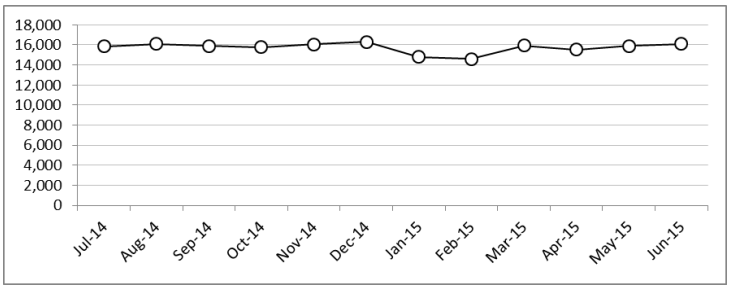


Non Clinical and Infrastructure	
Hotel Services ,Laundry & Cleaning	Historical expense patterns
Facilities	Twelfths
Transport	Twelfths
IT Systems & Telecommunications	Historical expense patterns
Interest & Financing Charges	Twelfths
Professional Fees & Expenses	Twelfths
Other Operating Expenses	Twelfths
Democracy	Twelfths
Subsidiaries, Joint Venture & Minority Interests	Twelfths
Internal Allocations	Twelfths

Total Non Clinical and Infrastructure Budget Phasing



Total Expense Phasing



4 Clinical/Overhead Departments

Clinical Service and Overhead Allocation

Internal & Ministry of Health Direct Revenue	($163,244,490)
Clinical Services	$95,269,180
Overhead Services	$78,913,263
Total	**$10,937,953**

Reporting Group	Cost Centre	2014-2015 Budget
Allied Health	250 5300 Long Term Conditions	(45,999)
	250 5302 Dietitians	372,948
	250 5303 Audiology	191,715
	250 5306 Occupational Therapy	1,112,590
	250 5307 Physiotherapy	1,610,469
	250 5308 Podiatry	43,288
	250 5309 Speech Therapy	138,295
	250 5314 Orthotics	398,212
	250 5315 Social Work	462,228
	250 5319 Personal Health Psychologists	90,201
	250 8308 Newborn Hearing Screening	86,462
Allied Health Total		**4,460,408**
Maternal and Child Health	230 4000 Hearing and Vision Screening	60,694
	230 4011 Public Health Nurses	965,924
	230 4016 Community Oral Health Project	2,503,209
	230 4252 Whanau Pakari	230,130
	250 2285 Ward 2B Childrens Ward	1,939,486
	250 2350 Maternity Ward Base	2,587,567
	250 2366 Neonatal Ward	1,302,678
	250 3012 Paediatric Medicine	2,336,879
	250 3027 Gynaecology	1,912,910
	250 3051 Clinical Community	78,498
	250 3520 Sexual Health Clinic	120,621
	250 4001 Child Development	322,343
	250 5304 Child Therapy	358,233
	250 8033 Maternity and Child Management	337,405
	251 2350 Maternity Ward Hawera	451,368
Maternal and Child Health Total		**15,507,945**
Medical Services	230 4212 New Plymouth District Nursing	1,865,768
	250 2288 Ward 4A Medical 1	4,042,489
	250 2365 Emergency Department (ED)	4,328,721
	250 3000 General Medicine Base	4,882,629
	250 3001 Emergency Department Medical	2,377,847
	250 3511 Cardiac Investigation Unit (CIU)	316,489
	250 3518 Renal Clinic	1,815,148
	250 3521 Cardiology Clinic	526,328
	250 3524 Cardiac Failure	66,644
	250 4010 Pain Educators	82,611
	250 5219 Cardiac Education	113,689
	250 5312 Asthma Education	247,594
	250 5313 Diabetes Educators	278,140
	251 2365 Hawera Acute Services	2,949,385
	251 2367 Hawera District Nursing	586,462
	251 3000 Hawera Medical Staff	2,792,263
	251 3613 Hawera Outpatients	132,749
Medical Services Total		**27,404,955**
Mental Health	225 2470 Te Puna Waiora	3,584,349
	225 2471 TWW	1,581
	225 3047 Acute Mental Health (Psychiatrists)	4,288,672
	225 4509 Intensive Community	1,513,477
	225 4511 Mental Health Team	1,606,143
	225 4512 Child and Youth Ment	1,314,126
	225 4515 Alcohol and Drug Uni	911,075
	225 4518 Alcohol and Drug Support	4,394
	225 4611 South Mental Health	641,110
Mental Health Total		**13,864,927**
OPHRS	225 4500 Psychogeriatric Comm	759,468
	230 4012 Home Support	1,120,707
	250 2284 Ward 2A OPHRS	1,925,731
	250 3040 Geriatric A & R	662,769
	250 3515 Geriatric Day Stay	236,244
	250 8052 Enhanced Intermediate Care	291,264
OPHRS Total		**4,996,183**
Surgical Services	230 4015 Essential Dental Treatment	45,908
	250 2286 Ward 3A Surgical	2,641,516
	250 2287 Ward 3B Orthopaedic	2,400,728
	250 2364 Intensive Care Unit (ICU)	3,101,638
	250 3019 General Surgery	2,838,929
	250 3020 Anaesthesiology	4,425,779
	250 3024 Dental Surgeons	652,455
	250 3026 Otorhinolaryngology	646,628
	250 3029 Opthalmology	1,365,319
	250 3030 Orthopaedic Surgery	2,010,571
	250 3034 Urology	510,355
	250 3150 ACC Contracts	(3,131,363)
	250 3300 Operating Theatre	5,219,489
	250 3301 Endoscopy Theatre	468,667
	250 3303 Ophthalmology Theatre	16,771
	250 3304 ENT Theatre	63,805
	250 3305 Urology Theatre	95,403
	250 3306 Gynaecology Theatre	109,828
	250 3307 Orthopaedic Theatre	2,208,363
	250 3308 General Surgery Theatre	948,910
	250 3309 Anaesthetics	503,461
	250 3508 Dental Clinic	142,526
	250 3519 Surgical Day Ward	40,648
	250 3543 PACU2	826,430
	250 5214 Pain Nurses	146,469
	250 5507 Decontamination Sterilisations	663,986
	250 8481 Elective Services Project	58,799
	251 3508 Hawera Dental Clinic	12,742
Surgical Services Total		**29,034,761**
Grand Total		**95,269,180**

Reporting Group	Cost Centre	2014-2015 Budget
Overhead	225 8023 Mental Health Management	662,562
	230 4214 Stratford Health Centre	139,630
	230 4215 Opunake Health Centre	25,910
	230 4217 Patea Health Centre	25,078
	250 3050 Clinical RMOs	2,168,446
	250 3500 Outpatients	1,824,470
	250 5000 Laboratory (Blood Mgmt)	1,428,637
	250 5021 Labcare	6,331,167
	250 5050 Radiology	7,109,508
	250 5100 Pharmacy	5,427,422
	250 5202 Internal Bureau Nursing	218,777
	250 5213 Nursing Resources	1,411,363
	250 5215 CTA Nurse Training	(230,920)
	250 5216 Clinical Facilitator	4,163
	250 5316 Cervical Screening	463,665
	250 5508 Case Management	379,547
	250 5509 Maori Health Service	344,109
	250 5700 Health Protection	822,010
	250 5701 Environment Health	60,646
	250 5702 Health Promotion	472,299
	250 6001 Orderlies	1,042,007
	250 6002 Cleaning Services	1,103,372
	250 6008 Library	292,208
	250 6009 Clinical Records	822,094
	250 6010 Clinical Transcription Service	372,879
	250 6016 Call Centre	552,189
	250 6020 Booking Office	779,205
	250 6021 Site Services	300,792
	250 6400 General Facilities	9,768,976
	250 6404 Engineers Workshop	839,735
	250 6412 Overnight Units	(1,583)
	250 6413 Hostel Base	(18,287)
	250 6414 Electrical Workshop	338,091
	250 6416 Bio-Medical Workshop	251,026
	250 6453 25 David Street	3,444
	250 8000 Executive Management	2,490,118
	250 8001 Management	8,859,203
	250 8006 Allocations Unit	156,415
	250 8007 Programme Office	206,016
	250 8013 Director of Nursing	732,486
	250 8022 Medicine Management	19,880
	250 8030 Clinical Management	1,042,919
	250 8032 Management Information Unit	354,649
	250 8034 Managerial Publ	297,566
	250 8040 Workforce Developmen	2,107
	250 8041 Maori Health Se	68,302
	250 8201 Procurement	480,293
	250 8205 Transport	(272,712)
	250 8206 Regional Transport	4,287,045
	250 8207 Circulating Stores	312,090
	250 8220 Finance	(1,688,202)
	250 8223 Payroll	321,693
	250 8231 HBL Shared Services	171,429
	250 8237 HealthShare Ltd	571,192
	250 8238 Central Technical Advisory Services	249,395
	250 8240 Information Ser	11,326,061
	250 8260 Human Resources	1,465,876
	250 8262 Education & Dev	243,093
	250 8267 Nursing Professional Development	(178,645)
	250 8280 Risk Management	505,471
	250 8284 Emergency and Pandem	81,363
	251 6002 Hawera Cleaners and Orderlies	270,409
	251 6406 Grounds	33,948
	251 6407 Works General	148,418
	251 8002 Administration	427,112
	251 8106 Management	203,610
	251 8215 Transport	190,027
Overhead Total		**78,913,263**