

## AUCKLAND DISTRICT HEALTH BOARD

Minutes of the Auckland District Health Board meeting  
held on Thursday 5 August 2004  
in the Marion Davis Library, Building 43,  
Auckland City Hospital  
commencing at 1:30 pm

### 1. ATTENDANCE AND APOLOGIES

#### Board Members

Wayne Brown (Chair)  
Margaret Horsburgh  
Crystal Beavis  
Harry Burkhardt  
Di Nash  
John Retimana  
Ian Scott  
Pat Snedden

#### Management in Attendance

Garry Smith – Chief Executive Officer  
Michael Boersen - Chief Financial Officer  
Denis Jury – Chief Planning and Funding Officer  
Nigel Murray – GM Auckland City Hospital  
Brenda Saunders – GM Communications  
Megan Richards – Communications Manager  
Ian Bell - Board Administrator

#### Apologies

The Chairman declared the meeting open at 1.20pm.  
An apology had been received from Vicki Salmon. Ian Scott had apologies for lateness.

### 2. CONFIRMATION OF MINUTES 8 JULY 2004

Moved Margaret Horsburgh, seconded Wayne Brown

*That the minutes of the meeting of the Auckland District Health Board held on 8 July 2004 be confirmed as a true and correct record.*

Carried

The Community Redesign/Integration Project would be presented to the CPHAC meeting.

### 3. ACTION POINTS 8 JULY 2004

No precedents on asbestos removal funding were available from DHBNZ.

The Board had received a report on the Navy Hospital opportunities and discussions would continue although they were not equipped to take very sick patients. There had been previous discussions on relocating the decompression chamber to the ACH site to

be close to intensive care but the Ministry of Defence were not prepared to fund the move.

#### **4. CHAIRMAN**

##### **4.1 Report**

Wayne Brown advised that his activities in the last month had been:

- Meeting with senior managers over KPIs.
- Attended the Clinical Directors meeting.
- Visited Cardiac with Margaret Wilsher with points being raised that some theatre nurses were arriving at 6:00am to obtain parking, SSS were shifting to recyclables and there was a need for longer term planning of services. The twin sites were also seen as a problem with time for travel between sites.
- Clinicians needed to understand the business rules concerning IDFs.
- Concern at the lack of regional service planning.

Ian Scott joined the meeting at 12:34pm.

- Received correspondence from the States Services Commission concerning senior's salaries.
- Received a letter from Audit New Zealand concerning Chairman's expenses.
- The Deputy Chair had attended a Volunteers lunch and the Board acknowledged the tremendous work being done by volunteers including the services of one lady for 30 years.
- Reviewed end of year results and preparing the Chairs report.
- Attended a dinner at Ronald McDonald House and received presentation from them to the Board as well as visiting the parent's room at Starship.

##### **4.2 Guidance DHB Election Period**

The letter from the Ministry of Health was noted.

#### **5. CHIEF EXECUTIVE OFFICER'S REPORT**

Garry Smith spoke to his report thanking staff for the financial result that had been achieved after a very difficult year. Staff had been dedicated while moving to new premises and adopting new systems and it was a huge tribute to staff who had given personal time to ensure no disruption of patient care. The 2003/2004 results had been challenging to obtain and he thanked the Auckland City Hospital team for efforts in June.

The Chairman noted that on his visit to cardiac that the new clinical leader was unaware of the transition lounge. Garry Smith advised this was being addressed by bringing clinical leaders into engagement through the management/clinical management structure.

Work was continuing on the 2004/2005 District Annual Plan by looking at the core issues and analysis of the results for 2003/2004. Issues included Population Based Funding (PBF), Inter District Flow (IDF) business rules, need for service planning over a 5 year period to ensure viability of sub-specialities, analysis of national services through Tier I and Tier II including funding and access and accommodating the increased costs through depreciation and finance of the new facilities of \$47m. Work included analysis on price, costing, benchmarking and productivity analysis. The District Annual Plan (DAP), which

would be signed off by the Minister, would be used to expose the issues of PBF for Auckland's population and the affect of the IDF rules applying to other DHB's populations coming to ADHB. Under the rules 55%of the Provider revenue from other DHBs is non DRG and an example is the transfer of a patient in paediatric haematology from a inpatient to an out patient non DRG for which ADHB got less revenue. There was engagement with the MoH but how the funding would be resolved was unknown but it was important that Auckland's population was not penalised nor major cuts in services intended to resolve the problem. In the DAP services would be classified into local, regional and national.

He advised that the management and administration review was nearly complete with a target of savings \$15m and the Auckland City Hospital management proposal brought clinicians into the model. The Performance Improvement project was looking at the flow of information that people need to work with to become more accountable. Corrective actions were being undertaken in SSS, problems in CRIS were being addressed and there was a 31 point action plan addressing Outpatient Administration Services (OAS).

Other items of note were the National Women's migration which would be conducted at the same level as other moves, the continued populating of Greenlane Clinical Centre and the Meningococcal B Vaccine Strategy which would start in November 2004 with the school programmes in 2005. The PHO strategy had been implemented with 90 percent enrolment. Other issues were employee relations and asbestos.

NDSA was a vehicle for regional collaboration and was managing regional mental health.

## **6. FINANCIAL REPORT – JUNE 2004**

The Audit Committee had reviewed and received presentations on the year end results and while the hospital had lost \$30m the net result achieved is better by \$4m to budget even with the sale of the car park not being fully recognized. The result did not include costs of asbestos and major issues identified as impacting on 2004/2005 were operating theatres, OAS, CRIS, the Change Programme and direct treatment costs. The Board supported the CEO in the approach to managing for Auckland's population and separately identifying issues under the IDF rules.

Denis Jury advised that PHOs at present were acting as groups of GPs and there would be large behavioural changes to come. With perilous finances it was important to manage tightly over the next few years to deliver to Auckland's population.

## **7. DISABILITY SUPPORT ADVISORY COMMITTEE**

The Committee would be meeting on the 19 August 2004.

## **8. QUALITY COMMITTEE**

The Committee would be meeting on the 19 August 2004.



**9. AUDIT COMMITTEE**

The Audit Committee had reviewed the financial results. There was some continuing audit work on consumables procurement contract. It was agreed that the Audit Committee would meet on Monday 30 August 2004 at 2:00 pm.

**10. GENERAL BUSINESS**

There were no items of general business.

**11. NEXT MEETING**

The meeting closed at 2:56 pm.

The next meeting will be held on:  
Thursday 2 September 2004  
Marion Davis Library  
Auckland City Hospital  
Grafton

**CONFIRMED**

**CHAIR:** .....

**DATE:** .....