

**Hei Oranga Tika Mo Te Iti Me Te Rahi  
Healthy Communities, Quality Healthcare**

**The Proposed Strategic Plan for the  
Auckland District Health Board 2002–07**

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# EXECUTIVE SUMMARY

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## INTRODUCTION

The Strategic Plan for the Auckland District Health Board 2002–2007 demonstrates to the local population and the Minister of Health how the Auckland DHB will achieve the Government's priorities for health within the funding available over the next five years. The Government's priorities are outlined in the New Zealand Health Strategy and the New Zealand Disability Strategy; both of which provide the framework for future health service development.

The Auckland DHB has the vision of 'Healthy Communities, Quality Healthcare'. This reflects a focus on population health that is wider than health services and which needs to be achieved by working with other agencies, organisations, iwi and community leaders. We want the best possible health and independence for the district and region within our available resources.

Parts of this plan were written jointly by the three District Health Boards in the greater Auckland region; Auckland, Counties Manukau and Waitemata. This reflects the need to plan at the local and regional level, and in particular to ensure that developments in one area of health do not create problems for other District Health Boards.

In looking ahead, we have taken into account the realities of our current situation. Our hospital and related services have a significant deficit and a huge building and change programme already in place. Therefore we will find ways of prioritising and reallocating our funding. We commit to working hard for our local communities and endeavouring to provide better services within the constrained budget by improving the way we do things rather than spending more money.

The Strategic Plan draws heavily on the results from the Population Health Needs Assessment which was undertaken by the Auckland DHB in 2001. This work investigated demographic data, epidemiology and community input to draw a profile of the local population and priority health needs.

At the 1996 census there were approximately 362,420 people living in the Auckland DHB area with an expected increase to 492,340 (or 36 percent) by 2021. Significant demographic shifts are expected to occur over this period, with changes to the ethnic composition and age structure of the resident population forecast. Growing numbers and changes in the population structure are a challenge to future health service planning.

There is also more we can do to address our Treaty of Waitangi obligations and ensure Maori in our district experience good health. There is a need to reduce inequalities in the health status of Pacific and new migrant populations in the district. People on low incomes have poorer health status and this is associated with the inequalities in health for Maori, Pacific people and new migrants, particularly those people from refugee backgrounds.

The Population Health Needs Assessment undertaken in 2001 found the following:

- cardiovascular disease and cancer are the leading causes of death
- diabetes is predicted to increase markedly over the next 10 years, especially among Maori and Pacific peoples
- Maori and Pacific children that live within the district have poor oral health compared to others
- there are disturbing increases in the incidence of disease among young children (tuberculosis, rheumatic fever, meningitis, cellulitis and gastro-enteritis) especially among Maori, Pacific peoples and people from refugee backgrounds
- about 20 percent of the population has a disability, and 3 percent have a severe disability
- alcohol and illicit drug use is increasing with concerns about the use of these substances among young people, Maori and Pacific peoples
- concern for the high youth suicide rates among males, particularly young Maori men
- family violence (including domestic violence and child abuse) is recognised as a key social and health issue in society.

Given the number of health gain priority areas, Auckland DHB has initially selected diabetes as a focus. About 90 to 95 percent of people with diabetes have type 2 diabetes<sup>1</sup> and those with undiagnosed diabetes have a much higher risk of developing serious medical complications. The increase in diabetes has been linked to inactive lifestyles and obesity, however, prevention of type 2 diabetes has been effective using lifestyle changes with high risk people. Reducing diabetes will assist the Auckland DHB in achieving health gain in the other health gain priority areas identified.

The Funding and Service Planning team in collaboration with providers in the sector will work to develop an action/implementation plan for the Strategic Plan. This will detail the types of activities required to achieve the goals and strategies, resource requirements and timelines.

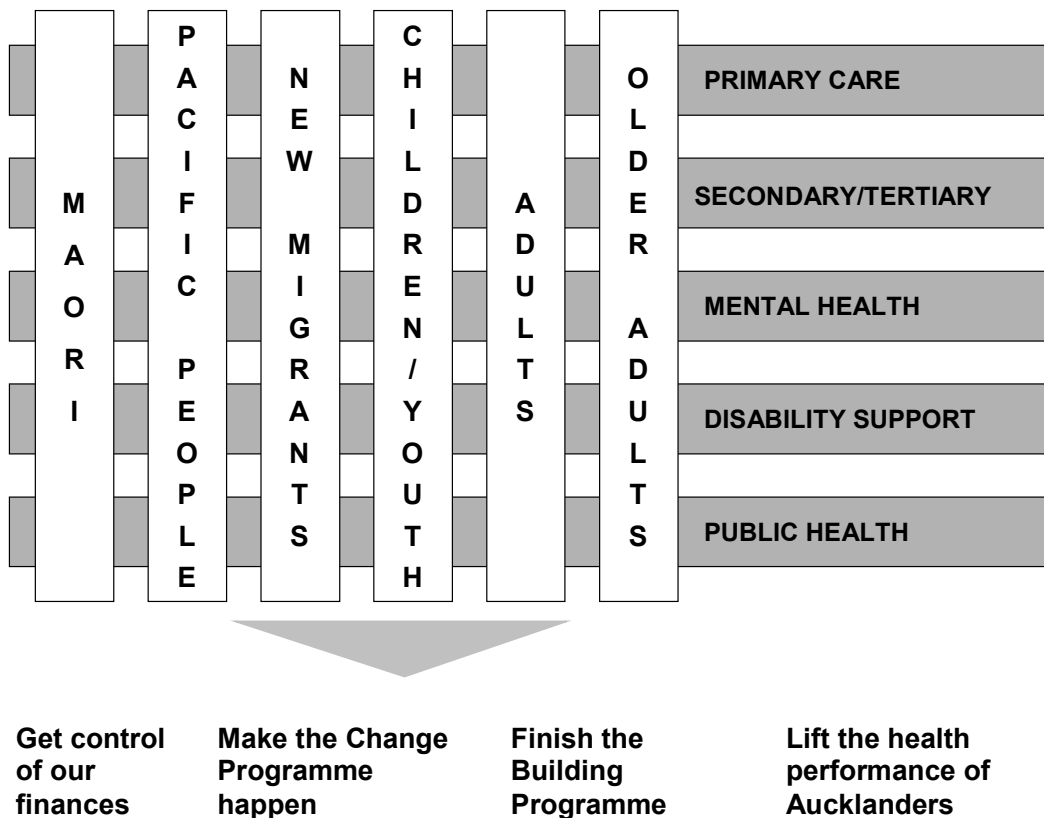
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<sup>1</sup> In Type 1 diabetes, the pancreas doesn't produce insulin. In Type 2 diabetes, the pancreas usually produces it, but for some reason, the body cannot use the insulin effectively. If the glucose can't get into the cells it stays in the bloodstream and can cause a number of problems.

The health sector continues to change and develop within the new environment, therefore any future review of the Strategic Plan would include a review of the health needs of the district. The initial profiling of the population will need constant updating as we meet with more communities and as 2001 census data becomes available. We are aware that we need better systems to measure the health of our communities. This will involve working with other agencies to measure and analyse both positive and negative indicators of health, to monitor trends in health status over time, and most importantly, to ensure that this informs our decisions.

The Strategic Plan includes the proposed future directions for health improvements, covers the populations within the Auckland area and examines the key issues and health priorities for these. It also discusses the health services, how these are orientated, and priority directions for the future. This approach forms a matrix of people and services that allows us to concentrate at all times on people and their health while also focusing on the many and varied health services which make up Auckland DHB.

**Figure 1:** Matrix of population groups and service areas with emerging goals



Four key goals are woven through each of the areas in this proposed plan. These are the areas of importance which surfaced when we analysed all population and service specific areas for development in the future. These translate into priorities for the future and are based on:

- Government policy: The NZ Health Strategy and NZ Disability Strategy
- national strategies to assist various services, e.g. the National Mental Health Strategy; Reproductive and Sexual Health Strategy, Older People and Positive Ageing Strategies
- the outcome of the 2001 Auckland DHB health needs assessment including community engagement work
- joint work with the other DHBs in the region
- the need to live within the finances available and reduce the level of deficit.

## KEY GOALS

### **TO DELIVER THE MOST EFFECTIVE HEALTH SERVICES TO THE PEOPLE WE SERVE, GIVEN THE RESOURCES PROVIDED**

#### **Get control of our finances**

*We are currently losing over \$70 million per annum (the total hospital services budget for seven other DHBs is less than \$70 million each) and we need to do things very differently to stop this loss.*

#### **Make the change programme happen**

*We need to speed up the move to standardise, consolidate and integrate our services to capture the required efficiencies.*

#### **Finish the building programme**

*So our gains from the change programme can work to maximum effect in our new and efficient hospital.*

#### **Lift the health performance of Aucklanders**

*In line with the government's 13 health priorities we will lead by example to stop smoking, reduce obesity, be more active, reduce impacts of alcohol, drugs and violence, reduce incidence and impact of cancer, cardiovascular disease and diabetes.*

## KEY GOALS AND FOCUS FOR FUTURE ACTION

1	Get control of our finances	<ul style="list-style-type: none"> <li>• Reduce the current level of deficit.</li> </ul>
2	Make the change programme happen	<ul style="list-style-type: none"> <li>• Standardise, consolidate, and integrate our services.</li> <li>• Collaborate across all health services to streamline care and to secure more cost effective health gain.</li> </ul>
3	Finish the building programme	<ul style="list-style-type: none"> <li>• Put the gains from the Change Programme into practice.</li> </ul>
4	Lift the health performance of Aucklanders	
	4.1 Reflect our Treaty of Waitangi responsibilities within the framework of the NZPHD Act	<ul style="list-style-type: none"> <li>• Recognise Maori status as tangata whenua, ensuring protection, partnership, and participation.</li> <li>• Improve the health status of Maori living in our area.</li> <li>• Reduce the barriers to services to meet the needs of Maori.</li> </ul>
	4.2 Focus on population health	<ul style="list-style-type: none"> <li>• Health promotion, problem prevention and early intervention.</li> <li>• Good systems to measure positive and negative health indicators.</li> <li>• Build the research and analytical base of the organisation.</li> <li>• Assess health needs, prioritise and allocate resources to best match health and disability service needs.</li> <li>• Work with other sectors and agencies.</li> <li>• Focus on the NZ Health Strategy priority areas.<sup>2</sup></li> <li>• Have a special focus on the prevention of diabetes</li> </ul>
	4.3 Reduce inequalities	<ul style="list-style-type: none"> <li>• In the health status of groups within the city.</li> <li>• Prioritise Pacific people, new migrants, and people living in poverty.</li> <li>• Reduce the barriers to services to meet the needs of Pacific people, new migrant people and other groups with high need.</li> </ul>
	4.4 Continuums of care	<ul style="list-style-type: none"> <li>• Have a strong focus on the person, so that service provision is well integrated, co-ordinated and culturally appropriate.</li> <li>• Attention to acute demand, chronic care and high and complex needs including the links between primary, secondary, tertiary and nationally provided tertiary services.</li> <li>• Reconfigure our hospital and related services to maximise effectiveness and encourage integration.</li> </ul>

<sup>2</sup> Cardiovascular disease (including nutrition, smoking and physical activity), cancer (including reduction in smoking), diabetes (including nutrition), infectious disease, oral health, community mental health (including suicide, substance abuse, responsiveness), children and young people's health.

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4.5 Strengthen the primary care sector	<ul style="list-style-type: none"> <li>• Dedicate work to strengthen primary care services.</li> <li>• Initiatives that circumvent serious ill health and acute admissions.</li> <li>• Reduce the problem people have obtaining access to primary health services including language and cultural barriers.</li> <li>• Rework the current model of service delivery to follow the national strategy for primary care.</li> </ul>
4.6 Improve quality and safety of services	<ul style="list-style-type: none"> <li>• Ensure health and disability services are safe, effective, efficient, innovative and comprehensive (community, public, primary, secondary and tertiary).</li> <li>• Progress our hospital and service developments planned to improve quality and safety.</li> <li>• Manage growth within the resources available.</li> <li>• Maintain our role as a national centre providing financially and clinically viable services.</li> <li>• Foster collaborative and co-operative relationships.</li> <li>• Maintain a skilled workforce able to provide to the diverse range of people and their health needs.</li> <li>• Reduce waiting times for elective surgery.</li> <li>• Manage inter-district flows.</li> <li>• Population Based Funding Formula.</li> <li>• Build the research and information base that helps in planning (including primary sector, clinical governance, costing systems).</li> <li>• Build capability of the infrastructure to work well in the new health environment.</li> </ul>

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The goals listed are key to the future development of the Auckland DHB and the health services it purchases and provides for the population. These priorities are linked to all the population groups and the service areas. A summary of the proposed objectives for the population groups and service areas are included in the following two tables. Most objectives will be achieved by improvements in quality and in the continuation of work already underway.

**Table 1:** Summary of objectives for population groups

**Maori Health**

- 1 Grow relationships that support the principles of partnership, participation and protection embodied in the Treaty of Waitangi.
- 2 Whanau ora through effective population health services planning and funding.
- 3 Develop Auckland DHB Maori health providers.
- 4 Enhance Auckland DHB mainstream health and disability support services.
- 5 Improve Maori health status by undertaking quality reviews.
- 6 Maori Health Workforce Development.

**Pacific Health**

- 1 Reduce health disparities between Pacific people and non-Pacific peoples (policy and initiatives for equity, work intersectorally).
- 2 Improve access to preventative and primary care services (public health programmes, Pacific run primary services).
- 3 Develop partnerships with Pacific communities, faith-based organisations, non government organisations, Pacific providers and intersectoral agencies which will maximise resources for health gain (planning, increase participation, performance measures, communication strategy).
- 4 Evidence-based approaches that demonstrate improved outcomes for Pacific populations (education and support for Pacific providers, workforce development, cultural competency for all providers).
- 5 Ensure services accessed by Pacific people meet quality standards including measuring cultural competency.

**New Migrants Health**

- 1 Improve the health status of new migrants by having a greater focus on health promotion, prevention and early intervention that are culturally acceptable, accessible and appropriate (NZ Health Strategy focus, partnership approaches, community development, integrate services across sector, intersectoral work).
- 2 Primary, secondary and tertiary health services are accessible, acceptable and appropriate for new migrants and their families (continuums of care, well child framework, intersectoral work, reduce barriers, engage with migrant communities, interpreter services for primary care).
- 3 Improve co-ordination and access to health services for those new migrants, particularly from refugee origins with high or complex needs, or who are vulnerable (intersectoral work, continuums of care, work with mental health services).
- 4 Improve the quality of health services through improved workforce development, education, research, monitoring and evaluation (research, prioritise workforce issues, training programmes, engagement and participation).

**Children and Younger People's Health**

- 1 Improve the health status of children and young people by having a greater focus on health promotion, prevention and early intervention (NZ Health Strategy priorities, increase cultural services, public health approaches, community development, integrated services, partnership with agencies, intersectoral initiatives).
- 2 All services are accessible, acceptable and appropriate for children, young people and families/whanau (continuums of care, well child framework, intersectoral work, reduce barriers to access, focus on primary care and ambulatory services, consultation with young people).

- 3 Improve co-ordination and access to health services for those children or young people with high or complex needs or who are vulnerable (intersectoral work, integrated services, implement tertiary review recommendations).
- 4 Improve the quality of children and young people's health services through continued development of monitoring, evaluation, workforce development, research and education (implement child health information strategy, research, work regionally on workforce issues, training programmes across sectors, focus on NZ Health Strategy priorities).

#### **Adult Health**

- 1 Improve the health status of women and men by having a greater focus on health promotion, prevention and early intervention (NZ Health Strategy priority areas, partnerships with providers, population groups and city council, cultural competence, community development approaches).
- 2 Women and men will have equitable and timely access to quality, safe, affordable and appropriate services regardless of their ethnicity, age and locality (breast and cervical screening, primary and public health focus, ambulatory care initiatives, consultation with groups, improve mental health services, new migrants and gender issues).
- 3 Improve co-ordination and access to health services for those women and men with high or complex needs, or who are vulnerable (cultural services for Maori, Pacific and new migrants, work with Strengthening Families, establish mental health services for those victims of trauma, reduce family violence).
- 4 Gendered and holistic approach in data collection, planning, delivery, workforce development, research, monitoring and evaluation (better data collection on gender, develop men's health policy, strength-based models in practice, community engagement).

#### **Older People's Health**

- 1 Provide excellent health services for rapidly growing population of older people (partnerships around best practice, public health approaches for smoking, exercise, nutrition and participation in society, train health professionals re older people's needs).
- 2 Eliminate discrimination, ageism and elder abuse within health and the community (raise awareness of the issue, work in partnership with consumers and families).
- 3 Involve consumers, families, whanau and caregivers in service planning, monitoring and evaluation.
- 4 Ensure that older people have access to information about services (work with agencies, explore one stop shops, ensure regional approach to health information).
- 5 Reduce the gap between longevity for Maori and Pacific peoples and other New Zealand populations.
- 6 Develop consumer-centred models of care for older people across all service sectors (integrated models to manage polypharmacy).
- 7 Improve mental health services for older people (implement regional strategy for older people, early identification via training for professionals, information sharing regionally).
- 8 Explore options for providing culturally appropriate and effective support for families, whanau and caregivers (review range of services).
- 9 Reduce confusion regarding transfer of disability support services funding.

Table 2: Summary of objectives for service areas

**Primary Health Care**

- 1 Long-term development path for primary health care (population needs, regional work, implement the national strategy, review cost-effectiveness of services, manage acute demand).
- 2 Focus services on the goals and priorities of the NZ Health Strategy (implement national strategy, focus on reducing problems, improve co-ordination).
- 3 Develop an integrated health delivery system.
- 4 Improve the quality and safety of primary care services.
- 5 Improve access to primary care services for priority populations (Maori, Pacific, under-served populations).
- 6 Develop the primary care workforce.
- 7 Implement a sustainable funding model for primary care (manage growth in fee for service expenditure, link workforce to needs, manage demand for acute services).
- 8 Encourage communities and individuals to take greater responsibility for their own wellbeing (increase community participation).

**Secondary and Tertiary Care**

- 1 Commitment to a realistic and sustainable secondary and tertiary strategy that will ensure quality specialist services are available to support the health needs of the Auckland region. This means:
  - Significant projects: sub regional equity of access, the Change and Building Programmes
  - Develop a specialist services plan for the future
  - Representation on national groups working on improvements services.
  - Work with other DHBs and health service providers.
  - Collection / analysis of data (health needs and demographic information) for planning.
  - Research on acute demand and on patient flow between districts and regions.
  - Systems that improve quality, accreditation and credentialing.
  - Providing continuums of care.
  - Strategies that improve retention of the workforce and ensure cultural competence.

**Mental Health**

- 1 Improve access to services and equity in access.
- 2 Improve service quality.
- 3 Improve integration between linked services.
- 4 Increase stakeholder participation in planning and service development, including development of mental health networks.
- 5 Improve information to guide funding decisions.
- 6 Improve quality in funding approaches.

### **Public Health**

- 1 Work with Ministry of Health to implement the NZ Health Strategy objectives (expand knowledge and analytical base including community participation in planning, population health approaches, advocacy, collaboration on health determinants such as poverty).
- 2 Work in ways that reflect Public Health core values and which provide leadership (Treaty based approaches, collaboration, Community Development).
- 3 Work with Ministry of Health to achieve health goals and objectives in the primary care setting (evidence based strategies, working with personal health providers, increasing knowledge base and skilled workforce).

### **Disability Support Services**

- 1 Disability Advisory Committee (DiSAC) Strategy.
- 2 Establish systems in preparation for transfer of Disability Support Services funding for older people to Auckland DHB in 2003 (stocktake, analysis of needs and an integrated care model).
- 3 Ensure that Auckland DHB services are fully accessible by people with disabilities (audit facilities).
- 4 Involve people with disabilities in education and training for service providers.
- 5 Involve people with disabilities in planning and monitoring the delivery of health services for people with disabilities.

## **WORKFORCE DEVELOPMENT, TEACHING, TRAINING AND RESEARCH**

Auckland DHB recognises that high quality and culturally competent staff are key to achieving our vision. Over the years workforce issues have become increasingly challenging:

- Recent changes in regulation, educational requirements and programme standards have increased the amount of training required for some health professionals.
- In some professions the number of people who can undertake tertiary study is limited by the number of clinical placements available.
- To gain experience in sub-speciality areas, trainees are required to travel overseas, often for a number of years.
- Health professionals have qualifications that are valued across the world and the Auckland DHB is not always able to offer rates of pay that can compete with hospitals overseas.
- Specialisation and sub-specialisation, lifestyle changes and expectations, educational and accreditation requirements all place constraints on the Auckland DHB's ability to recruit and retain staff.

- Building and maintaining a skilled and diverse workforce requires the following strategies over the next five years:
  - \* working with educational institutions and professional bodies to influence the level, quantity of placements, and the quality of the education being provided
  - \* developing retention strategies which keep intellectual capital within the organisation for the long term (for example, by creating opportunities for external placement with tie backs to Auckland DHB)
  - \* undertaking marketing strategies to appeal to the global workforce (for example, twinning itself with other Health Services in other countries for staff transfers and cross fertilisation, world class training and research opportunities)
  - \* co-ordinating the existing workforce so that there are opportunities for staff to obtain career and professional development without the need to leave the organisation.
- The Auckland DHB has developed effective and efficient research management processes to support advances in clinical care, training and cost management. This is the largest clinical research facility in New Zealand and engages in work that attracts funding and participation from both New Zealand and overseas.

As part of the Change Programme, Auckland DHB has commenced the second stage of a major organisation-wide review of its management and administration structures in preparation for the move into a new hospital at Grafton and the ambulatory site at Green Lane. The review is required to support changes associated with the Building Programme.

Each population group and health service strategy aims to co-ordinate workforce development, teaching, training and research. This will help make Auckland DHB a desirable workplace for staff and an organisation capable of attracting and retaining skilled health professionals. This will require ongoing work with the educational institutions, professional bodies and training institutions over the next five years.

## FINANCIAL PRESSURES AND CHANGE

Implementing the direction outlined in this Proposed Strategic Plan is dependent on available funding and careful cost management. The Auckland DHB is under extreme financial pressure and has a budgeted deficit for the 2001/02 financial year of \$72 million.

The identification of a path to break-even over the next three years is a significant challenge for the Auckland DHB. The projected Statement of Financial Performance identifies significant gaps between the forecast deficit for each year and the maximum level of deficit support that the Crown has indicated it is willing to provide.

In December 2001 the Minister of Health announced a package of additional funding for the sector of \$400 million each year for the next three years. This funding includes substantial new money for Primary Care initiatives. This Primary Care funding is at risk of being used to manage the deficit because the deficit must be paid for first. It is critical that we get our deficit under control in order that new Primary Care funding can be used for Primary Care services.

The deficit gaps will be addressed by identifying service change options and will lead to a reduction in service levels in some areas. The following table contains the preliminary forecast information and the financial section to this plan provides more detailed information to assist your understanding of the figures.

## CONSOLIDATED PROJECTED STATEMENT OF FINANCIAL PERFORMANCE

	2000/01 \$000	2001/02 \$000	2002/03 \$000	2003/04 \$000	2004/05 \$000
<b>Operating Revenue</b>					
Provider services revenue	554,229	525,291	588,579	613,690	635,382
Funder services revenue		186,328	203,705	208,313	212,817
Other revenue	52,503	91,853	61,042	61,291	61,652
<b>Total Revenue</b>	606,732	803,472	853,326	883,294	909,851
<b>Operating Expenditure</b>					
Provider services expenses	585,739	644,176	655,547	658,789	657,722
Funder services expenditure		190,669	213,366	213,625	217,898
<b>Total Operating Expenditure</b>	585,739	834,845	868,913	872,414	875,620
<b>Earnings before Interest, Depreciation, Abnormals and Capital Charge</b>	20,993	-31,373	-15,587	10,880	34,231
Less:					
Finance Costs	5,886	4,524	6,550	22,138	31,799
Depreciation	26,459	25,731	28,376	40,831	48,425
<b>Earnings before Abnormals and Capital Charge</b>	-11,352	-61,628	-50,513	-52,089	-45,992
<b>Capital charge</b>	8,629	10,372	11,800	21,605	26,111
<b>Deficit for the year</b>	-19,981	-72,000	-62,313	-73,694	-72,103
Gap between forecast and maximum supported deficit	0	0	-25,157	-47,857	-59,376
<b>Maximum Surplus/(Deficit)</b>	-19,981	-72,000	-37,156	-25,837	-12,727

These financial pressures come at a time when the organisation is undergoing a significant level of change. An acute hospital is being built on the Grafton site and an ambulatory facility is being built on the Greenlane site. The new hospital will merge the acute services of the current Auckland, Green Lane and National Women's hospitals into one building and will provide the most up-to-date hospital facilities in New Zealand. The new acute hospital will provide secondary, tertiary and nationally provided tertiary care. The ambulatory facility on the Greenlane site will become the focus for outpatient and community-based activities.

The Auckland DHB is mindful of the need to protect and invest in the primary care and other key priorities whilst maximising the efficiency of our secondary and tertiary hospital services and undertaking these major change initiatives.

Your attention is drawn to this summary of action points.

## **1. GET CONTROL OF OUR FINANCES**

- We are committed to delivering health services to the people we serve within the funding available. We must gain control of our current financial crisis and reduce the deficit, which for the 2001/02 financial year, exceeds \$70 million.
- We will prioritise our health services and reallocate money to fund those priorities. The Auckland DHB will need to shift resources from low priority areas to high priority areas. We will prioritise health services using four principles: Maori health, cost-effective health gain, equity and acceptability.
- As a result of the new direction, the Auckland DHB will need to make trade-offs. This will mean that the hospitals of the Auckland DHB may provide less services. In particular, an emphasis towards primary health services may mean fewer hospital services.
- While the Auckland DHB is expecting to receive more money from the Government to fund primary health services, if our deficit is not under control then this new funding will not be sufficient to meet our needs. Therefore, we will need to identify other ways of increasing the investment in primary health services.
- We will have a better idea of how population based funding will affect us when the Ministry of Health confirms the final formula and the implementation date.
- The risks associated with population based funding include: inter-district flows, the provision of high cost treatments and costs associated with administering population based funding. A movement to population based funding may mean that a portion of the 50 percent of hospital services provided to people outside the Auckland DHB boundaries may not be provided by us in future. This may have an impact on the critical mass required to provide services at current levels.

## **2. MAKE THE CHANGE PROGRAMME HAPPEN**

- A major organisation-wide review is underway of management and administration structures in preparation for the new hospital at Grafton and the ambulatory site at Green Lane. Auckland DHB will maximise efficiency in the secondary and tertiary sector as part of the Change Programme.
- Collaboration across the DHB will be pivotal to securing more cost effective health gain.

## **3. FINISH THE BUILDING PROGRAMME**

- Auckland DHB will speed up the move to standardise, consolidate and integrate our services so that health care is more efficient.

## **4. LIFT THE HEALTH PERFORMANCE OF AUCKLANDERS**

- Auckland DHB will focus on protecting and investing in the primary sector, specifically through health promotion, protection and preventative services. The benefits of this approach will be realised in the long term, not the immediate future.
- The NZ Health Strategy 13 priority objectives will determine our actions in the next five years, with greatest emphasis on the prevention of diabetes.
- Auckland DHB will be encouraging integration between the primary, secondary and tertiary services. We will identify areas to make primary services more efficient, reallocating resources from low priority areas to high priority areas within primary health, and shifting resources from the secondary, tertiary and national tertiary sector into the primary services.
- Auckland DHB provides more than 50 percent of its hospital services to people outside the Auckland DHB area. Reductions in Auckland DHB services will create problems for other DHBs and will affect the people from other areas who use Auckland DHB services. The Auckland DHB will work with other DHBs to manage the flow of patients between areas. We will also need to recover the costs for providing those services.
- Public consultation will help determine the priority health areas and processes for funding decisions. We will also consult if more changes are proposed following the formal adoption of the Strategic Plan.

In addition to the development of our Strategic Plan, is the preparation of the 2002/2003 District Annual Plan. The Annual Plan covers more detailed operating activities about funding and the provision of health services by the Auckland DHB. The preparation of the District Annual Plan will provide us with updated operational and financial information that will be used in the final version of the Strategic Plan. It

may also result in the identification of further matters that require consultation if significant change is proposed.

## CONCLUSION

The Auckland DHB is facing a period of major change. It is also heading into the future with a major operating deficit. In order for the organisation to continue to provide the best possible health services given the funding constraints, we will be required to make some tough decisions about health priorities including reductions in services. This Proposed Strategic Plan outlines some of the priorities the Auckland DHB has identified. We now invite your feedback on the direction outlined.