



9 December 2021

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Wellington
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Tēnā koe Committee Secretariat,

NZSA submission on Pae Ora (Healthy Futures) Bill

About the New Zealand Society of Anaesthetists (NZSA)

The NZSA is a professional medical education society which represents over 750 anaesthetists in Aotearoa New Zealand. Our members are specialist anaesthetists in public and private practice, and trainee anaesthetists. Our key roles are advocacy, facilitating and promoting education, and strengthening networks of anaesthetists nationwide.

Introductory Comments

The NZSA welcomes the opportunity to provide feedback on the Government's Pae Ora (Healthy Futures) Bill, which will establish the legislative framework for the new publicly funded health and disability system. The NZSA fully supports the Bill's aims to reduce variability in health services across Aotearoa New Zealand and to deliver more equitable health outcomes, particularly for Māori. A strong Te Tiriti o Waitangi and health equity lens is welcomed across Aotearoa's health services and the services that impact on health.

The health reform goals are laudable; however, we have serious concerns about a range of issues and gaps outlined in this submission. We appreciate the Bill is a high-level document, however information and detail is lacking, along with mandated commitments to ensure accountability for health outcomes.

The legislation must be fit-for-purpose and longitudinal to achieve generational change in the years to come (beyond three-yearly election cycles) with appropriate funding, monitoring, reporting, transparency, and accountability. The NZSA's Executive would like this Bill to incorporate provisos to ensure future governments cannot undermine agreed health strategies. Health reform should not be politicised and requires a bipartisan, long-term approach.

Key proposed amendments to the Bill:

- Embedding clinical governance in the health system by mandating it to be a requirement of the Boards of Health New Zealand and the Māori Health Authority
- Ensuring Health New Zealand and the Māori Health Authority engage with the health workforce by legislatively mandating consultation with professional associations when developing key health strategies and plans
- Strengthening and mandating in the Bill's purpose, and the new entities' requirements, to address the social determinants of health

- A greater focus on public health with inclusion of public health priorities
- The backbone of a well-functioning and efficient healthcare system is the healthcare workforce – it must be an explicit, core component and strategy of the Bill.
- Including environmental sustainability on the list of health system principles (suggested wording in our submission)

Other key recommendations:

- The funding model for current health service delivery is flawed and out of date; it requires review in-line with the health system reform.
- A greater focus on building and valuing our health workforce.

Timeframe for Consultation

The health system is under significant pressure due to chronic underfunding over successive governments, staff shortages, a lack of investment in core infrastructure, and more recently the added pressures of the Covid 19 pandemic and the future management of endemic COVID 19.

We are fortunate to have individuals in our health system who are highly skilled, committed, dedicated and hard-working. This includes our member anaesthetists who have taken on leadership roles, for example, in planning the COVID 19 response in their hospitals.

We are very concerned about the tight timeframe for submitting on the Bill particularly within the context of dealing with COVID 19, multiple competing demands exacerbated by backlogs, and due to the magnitude of the reforms and their ensuing impact on the health sector. The stakes are high. The reforms will affect clinicians, other healthcare workers, patients, and population health outcomes for years to come. Legislation which is rushed, without adequate time for consultation, is likely to have deficiencies and not be fit-for-purpose. We must avoid making changes which are merely structural (a rearranging of the deck chairs) as this will prevent meaningful long-term change.

Communications from the transition unit stated that the entire system needs to listen and respond better, with the ability to connect closely at community level. We wholeheartedly agree – this ethos must drive the Government's direction and changes. Unfortunately, the short-time frame and limited engagement fails to inspire confidence from the start.

We support the position of the New Zealand Medical Association that there be a temporary delay in the implementation of the reforms to enable considered feedback and engagement from the health sector.

Act's Purpose and Vision

In the Bill it states that the purpose of this Act is to provide for the public funding and provision of services to:

- a) *Protect, promote, and improve the health of all New Zealanders; and*
- b) *Achieve equity by reducing health disparities among New Zealand's population groups, in particular for Māori*
- c) *Build towards pae ora (healthy futures) for all New Zealanders.*

We believe the purpose of the Bill is too light and lacks ambition, vision, and inspiration. Core problems in our health system such as unmet need remain unaddressed. Many New Zealanders continue to miss out on basic health services facing protracted delays in access, diagnosis, referrals, and treatment (which pre-dates COVID19). Commitment to redress this long-term, fundamental weakness in our system must be clearly noted in the Bill's purpose and must be a requirement for long-term system-based solutions.

Additionally, it would indeed be transformational for our health system to be built on a Bill that includes recognition that social determinants of health are the major cause of health inequities and commitment from the Crown to address inequities through a whole-of government and society approach.

We seek reassurance that Māori, including tangata whenua organisations, will have influence on the Bill's purpose, and the language contained within.

Health Sector Engagement and Clinical Governance

The NZSA and ANZCA NZNC had a briefing from the transition unit in July and have monitored subsequent communications. While we welcomed this initial briefing, the information has been high level and has lacked detail. We are aware the New Zealand Health Plan, referred to in the Bill as one of the key documents of these reforms, will be completed early in 2022. There has been limited consultation with the health sector on this plan, and the NZSA has not had an opportunity to contribute. We fail to understand the logic of not developing and releasing this crucial plan prior to the Pae Ora Bill submission date.

Professional associations, such as the NZSA, must have the opportunity to provide input on the detail of health sector reform. Clinical engagement must be prioritised over policy makers. Provisions in the legislation must include the directive for the new health entities to consult with professional associations. This could be included under the Functions of Health New Zealand (clause 14) and the Functions of the Māori Health Authority (clause 19). The NZSA can engage with members and provide clinician input into the Bill's key strategic documents.

The input of clinicians underpinned by a robust, legislative clinical governance framework must characterise these reforms from the outset. Those at the coalface of our health sector need to have their voices heard to shape each new health entity, its processes, strategies, and policies as their knowledge and experience can help us to develop a responsive health system.

While the Bill states that it will 'harness clinical leadership', there are no parameters, frameworks, descriptions, or statements to make this an essential part of the new health system. Successive governments, despite the rhetoric of prioritising clinical leadership, have failed to seek and implement clinical governance. Without modification the Bill fails to provide reassurance that a strong clinical governance framework is a key strategy and priority.

We strongly recommend that provisions for clinical governance be explicitly included in the clauses that form the entities of Health New Zealand and the Māori Health Authority. To engender trust with clinicians and our wider health workforce, strong provisions for clinical governance are essential to enable health sector reforms to begin on a positive trajectory. This should then flow onto the imperative for clinical engagement whilst developing health system plans and key strategic documents that form the basis of the Bill.

Our members cite the main cause of clinician stress and burnout to be management's disregard for, and disengagement from clinicians. Clinicians must have the ability to influence, shape and design the environment they work in. A valued workforce lends itself to an active and engaged workforce, which ensures delivery of optimal patient care. We note that strong clinical governance requires staffing levels that allow senior doctors access to appropriate non-clinical time to enable them to contribute. This will require an increase in workforce numbers.

Preventive Health

The Bill must have a greater focus on preventive health including the social determinants of health, public health, and climate change.

Social Determinants of Health

The new entities must have an explicit purpose to keep people well and to improve population health, especially for Māori, Pacific peoples, and other vulnerable populations. To do this, firstly there needs to be recognition that 80 per cent of health is driven by factors outside the healthcare system. The social and economic determinants of health, such as housing, education, justice, income, and nutrition have a profound influence on a person's health.

The Bill needs to strengthen the new health entities' ability to improve population health, including influencing the social determinants of health. We need to look beyond the health sector and adopt a whole-of-government, whole-of-society approach that is aligned and coordinated towards this common purpose. The Bill refers to working with other social agencies; however, the Bill does not make explicit provision that this approach will form a core part of our new health system. We recommend that the Bill mandates a whole-of-government and society approach; this would include collaboration between the new health entities and other agencies such as housing and social development to address the social determinants of health.

Agencies need to work collaboratively and synergistically to address the social determinants of health. Embedding this cultural mindset in our public service and those groups less traditionally defined as 'health' may take some time. It must begin with robust legislation. There must also be explicit commitment for commissioning of services taking a whole-of-government approach.

Public Health

The NZSA would like to see more detail on public health. For example, alcohol levies are included in the Bill but there is no mention of alcohol as a public health priority for New Zealanders. We expect that alcohol, along with tobacco and obesity be core components of the legislation to address our greatest public health challenges. By excluding these challenges, the Bill does not have a strong preventive or population health approach and cannot fulfil the Bill's purpose.

The NZSA supports the establishment of the Public Health Agency, however we believe that this should be a standalone agency. Public health has long been neglected in terms of prominence and funding – and it is core to preventive health. We must ensure strong independent public health advice, and the ability to monitor and report changes to public health. New Zealand needs programs and policies that promote health and wellness through a strong equity lens.

The new entities, including the Public Health Agency, must work with other departments and agencies to enable cross-sector agency work and monitoring. Both Health New Zealand and the Māori Health Authority should be able to request reports from the Public Health Agency on proposed policies and laws across different areas such as transport or housing, without needing Ministerial permission. This would enable the health system to have a mandated role in influencing the social determinants of health.

Regarding national health strategies outlined in the Bill, including the New Zealand Health Strategy, Hauora Māori, and Pacific health, the NZSA recommends that mental health and child health also be legislatively mandated national strategies.

Climate Change and Environmental Sustainability

The NZSA, with the expertise of its environmental and sustainability network, has drafted submissions on a range of climate change and environmental consultations in recent years. Consistently we have conveyed that health and climate change are irrevocably linked, and that climate change is a major determinant of health which will disproportionately affect our

most vulnerable populations. We have asked the Government to recognise and promote the health co-benefits of measures to mitigate climate change. Furthermore, we have outlined that the health sector is the largest greenhouse gas emitter in the public health sector (of which anaesthesia makes up a substantial component) and the need for health and environmental sustainability legislation/policy to be aligned. It is therefore very disappointing that climate change and environmental sustainability are not referred to in the Bill, especially in relation to the new health entities' mandated responsibilities.

The Government established the Climate Change Commission, and a raft of climate change legislation is either in place e.g. Zero Carbon Bill, or currently going through consultation e.g. Emissions Reduction Bill. However, the overall approach has been to either not mention health or to not give it the prominence it merits in light of its correlation with climate change. Its very omission in this Bill demonstrates continuing failure on the Government's part to understand the irrefutable link between climate change and health, and to take advantage of effective measures to mitigate climate change which have substantial health (and health equity) co-benefits, and lead to cost savings in the health sector.

The Carbon Neutral Government Program, which we assume to be the means to address some of these issues, has no significant mandate or impact until December 2025. Three years from now is too slow, and inadequate.

We recommend that environmental sustainability needs to be a core part of decision-making criteria for health commissioning/purchase of services/sub-contracting at every level for all public funds. Reporting of, and accountability for the carbon footprint of our health entities and services must be included in legislation. We also believe that environmental sustainability should be included in the Bill's health principles (clause 7).

The NZSA recommends that the Government follows the example of the UK's NHS to create a sustainability unit in the two new health entities.

As we stated earlier in our submission, we need a health system that is fit-for-purpose in the long term. If we do not include environmental considerations in the Bill, our health system will face additional financial costs in future (when the system is already over stretched) tackling the impacts of climate change on health.

We recommend that the principles in Clause 7(1) be amended to include:

- (f) sustainability should be at the core of every decision in the health system, including by—
 - (i) giving measures to reduce carbon emissions a top priority; and
 - (ii) aligning with targets set under the Zero Carbon legislation; and
 - (iii) recognising and promoting the health co-benefits of measures to mitigate climate change; and
 - (iv) adapting and preparing for the impacts of climate change; and
 - (v) reducing waste.

Māori and Te Tiriti o Waitangi Principles

The NZSA welcomes the Bill's aims to give effect to the Crown's Te Tiriti o Waitangi obligations and responsibilities. We fully support the creation of an independent Māori Health Authority and believe it has the potential to make a significant difference in addressing health inequities through a by Māori, for Māori approach.

Our Executive has expressed the need for greater clarity on what the different legal status between the two main health entities means: Health New Zealand is described as a Crown Agent, while the Māori Health Authority is described as an independent statutory entity. This implies that the two organisations are not on an equal footing and contradicts the very Treaty

principles the Government seeks to enact. We ultimately support both organisations having equal status and this equality of partnership needs to be in the Bill.

We strongly recommend that the committee prioritise the submissions of tangata whenua organisations on how the Bill should honour Te Tiriti, including empowering the Māori Health Authority and incorporating a te Ao Māori framework.

Health Funding/Structures

It is unreasonable to measure financial performance of entities providing health services, and not scrutinise the adequacy or otherwise of funding for those services. A major omission in the Bill is that it does not include detail on health system funding models, which remains a significant issue and will have a direct impact on Aotearoa New Zealand's ability to effect meaningful change.

The funding model for health service delivery is flawed and requires review in-line with the health system reform. The NZSA has questions in relation to funding structures. Will funding structures be reviewed? Is there a plan to look at the GP funding model, particularly as we face an impending crisis in that workforce? Will the funding model be population based; locality based? What will the framework be for service commissioning? We acknowledge the Government may be formulating this information, but lack of engagement means NZSA is unaware of funding frameworks. This is an area that requires health workforce engagement. The NZSA supports the call made by the Association of Salaried Medical Specialists for a cross-party political accord that agrees on a sustainable funding path to secure a stronger health system with the capability and capacity to address health needs.

Regional access to healthcare remains concerning and rural and regional inequities are well documented. Inequities for access to elective joint replacement in Tauranga and Nelson compared with Auckland as an example. The infrastructure disparity between regions requires Health New Zealand to plan infrastructure requirements nationally, tailored for regions including rural areas. NZSA requires greater understanding and transparency on how Health New Zealand will address infrastructure needs and information that will reassure our members that this includes long-term planning for infrastructure projects, based on current and forecasted needs according to population growth and demographics.

Health Workforce Investment and Planning

Workforce development, training and engagement in public health should be a specific function of the new agencies as the new health workforce employer. Health workforce wellness and resilience is consistently de-prioritised and the NZSA believes the new reforms and therefore the Bill must prioritise health workforce development, training, and engagement. The Bill pays minimal attention to this crucial aspect of health system reforms with just a single point in 37, Section 3C.

New Zealand has chronic staff shortages throughout health professions, specialties, regions, and rural areas with heavy reliance on overseas trained healthcare workers. Shortages have been exacerbated with the emergence of COVID 19. The global market for healthcare workers is now more competitive than ever before. The pandemic has reinforced the importance of workforce planning and investment, as highlighted by the shortage of intensive care nurses and specialists (anaesthetists are a crucial part of this workforce). A national health workforce employer should enable clearer national health workforce forecasting, planning and development and NZSA wholly supports this.

Staff Resilience and Wellbeing

The backbone of a well-functioning and efficient healthcare system is the healthcare workforce – it must be an explicit component and strategy of the Bill. The NZSA believes we need to look beyond the raw data and staff to patient ratios to assess and support staff resilience and wellbeing.

Our health workforce is forced to cope with cumulative pressures of working in chronically short-staffed and under resourced environments. The impact of unmet need, either being unable to provide care, or providing care at sub-optimal levels ‘the best of the bad options’ undermines and fails the health of our workforce leading to profound mental health impacts including moral injury. Staff working under these conditions are at more risk of absenteeism, presenteeism and staff turnover. When resilience and wellness of staff is disregarded, there are long-term implications for retention and recruitment.

Lack Of Detail Regarding System and Services

The Bill outlines new structures and accountability arrangements for the new health system. However, it is difficult to assess how the reforms will be implemented in practice due to lack of information and key gaps.

The NZSA seeks clarity on key areas of the Bill e.g. what services will be deemed community led? How will core health services and service delivery be defined? What will constitute primary, secondary and community services? For example, district nursing has historically been a DHB managed service, will this be a community funded service with enhanced outreach capacity? The NZSA seeks clarity on commissioning of services, the framework for this and the process under the health reforms. The Bill states localities but no clarity has yet been provided for feedback. It is difficult to provide a full response in our submission with key gaps within the Bill.

The NZSA notes the Bill is a high-level document, and we anticipate more detail will be provided in the Government Policy Statement and Health Strategies to follow. However, we seek reassurance from Government the information gaps we outline in our submission will be addressed.

Lack of Detail on Policy

Policy priorities are not outlined in the Bill, and policy direction is vague. While public health is to have more prominence with the establishment of a Public Health Agency, it is unclear which areas of public health the Government will prioritise. In the past, governments outlined health priorities e.g. childhood immunisation rates, smoking cessation, ED wait times. The NZSA assumes these priorities will be included in the strategic documents outlined in the Bill. Lack of clarity further compounds the ability to document appropriate submission responses.

In Summary

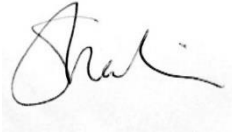
The NZSA supports the aims of the Pae Ora (Healthy Futures) Bill, although we have made recommendations to strengthen the purpose of the Bill so that it is bolder and more ambitious. We support:

- Restructuring the system with the new Crown entities – Health New Zealand and the Māori Health Authority
- Achieving health equity for Māori and for Māori decision-making and power sharing to be aligned to the Crown’s obligations under Te Tiriti o Waitangi
- Legal recognition of the iwi-Māori partnership boards, the health system principles, the Government Policy Statement on Health, a New Zealand Health Strategy, a New Zealand Health Plan, New Zealand Charter, and a Code of Consumer Participation; and
- Establishment of a Public Health Agency.

We have provided recommendations in our submission to strengthen the Bill, including proposed amendments. We believe that Aotearoa New Zealand has the ability and the will to design and deliver a system that will be better for all New Zealanders. Ensuring genuine, consistent engagement with the health workforce, including through professional associations, will be key to the success of these reforms.

We welcome your questions on our submission and look forward to further engagement as the reforms progress and more detail is forthcoming.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sheila Hart', written in a cursive style.

Dr Sheila Hart
NZSA President