Te Aka Whai Ora
Māori Health Authority

25 August 2023 Ref Number: MHA23375

s 9(2)(a) protect privacy of natural persons

Tēnā koe s 9(2)(a)

Official information request for documents relating to primary health care

I refer to your official information request dated 22 June 2023 for the following:

> *All briefings and reports (including background papers, internal papers, budget bids, cabinet papers and cabinet decisions) from mid-2022 to mid-2023 concerning primary health care, related to:*
>
> - *the WAI 2575 inquiry (and compensation)*
> - *reform of the primary health care/PHO capitation formula*
> - *equity adjuster funding in primary health care*
> - *comprehensive primary health care teams*
> - *pay equity for nurses*
> - *removing the $5 prescription charge*
> - *localities*
>
> *I am also interested in briefings and reports on integrated contracting, as is occurring for Pacific providers, including any similar initiatives for other populations (e.g., for Māori).*

On 17 July 2023, you were notified of an extension to the time required to respond to your request to 25 August 2023.

The majority of the initiatives covered in your request are either led by the Ministry of Health | Manatū Hauora or Health New Zealand | Te Whatu Ora and as such, your request for documents related to these initiatives will be addressed more substantively by responses from these two agencies.

In searching for documents in scope of your request, we found a number that belonged to Te Whatu Ora. These documents have been provided to Te Whatu Ora for its consideration and response to you directly.

Your request for documents related to primary health care integrated contracting and pay equity for nurses is refused under section 18(e) of the Official Information Act 1982 (the Act) as no documents could be found.

The information found to be in scope of your request is enclosed and listed in **Appendix 1**. Some information has been withheld under sections 9(2)(a) and 9(2)(j) of the Act.

In making the decision to withhold information under section 9 of the Act, I have considered the public interest considerations in section 9(1) and concluded that withholding is necessary:

- as public release is likely to disadvantage ongoing contract negotiations, and the wider interest of effective government would not be served
- in order to protect the privacy of natural persons.

Regarding document 6, please note that the funding transfer from Te Whatu Ora to Te Aka Whai Ora was only agreed to in May 2023, the transfer of actual funds does not take place until later in 2023.

Te Aka Whai Ora intends to make the information contained in this letter and any attached documents available to the wider public. We will do this by publishing this letter and attachments on our website. Your personal details will be deleted, and Te Aka Whai Ora will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this decision with us, please feel free to contact Te Aka Whai Ora Ministerial Services (mhagovernmentservices@health.govt.nz).

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Nāku noa, nā

Jade Sewell
Maiaka Tau Piringa | Deputy Chief Executive Service Development
Te Aka Whai Ora

Appendix 1: Document Schedule

No.	Document Type	Document Title/Date	Status
1	Memo	Paper for ELT on primary and community care (03/03/2023)	Released in full
2	Update to Board	TAWO Board paper Primary and Community Care (15/03/2023)	Released in full
3	Aide-mémoire	Aide-mémoire PCC Funding Formula - Capitation Adjustment 05042023 (06/04/2023)	Partial release, some information withheld under section 9(2)(a)
4	Talking points	TPs for hui with the Minister on 16 May 2023 re PCC Cab paper (16/05/2023)	Released in full
5	Cover note	ELT cover note - PCC Cabinet paper – 26 May 2023 (29/05/2023)	Released in full
6	Memo	Te Aka Whai Ora CPCT Kaiawhina memo HR (15/06/2023)	Partial release, some information withheld under section 9(2)(a) and section 9(2)(j)

Te Aka Whai Ora
Māori Health Authority

ELT Memo

Primary and Community Care – opportunity to lead system change

Date: 3 March 2023	**Author:** Leigh McPhail
For your: Approval	**Approved by:** Juanita Te Kani, Jade Sewell

Board item: This paper can be updated for the Board's hui on 15 March seeking their endorsement of the proposed approach

Purpose

1. This paper briefs you on work underway in primary and community care and the significant potential of transformation in this area to drive better health outcomes for Māori. It proposes we adopt a Te Aka Whai Ora position to drive system change for primary and community care so that it works for Māori, by providing sufficient Māori owned, governed and staffed services to meet Māori population needs using hauora Māori models.

Recommendations

2. ELT (Executive Leadership Team) is asked to:
   - **Note** Te Whatu Ora and Te Aka Whai Ora are working jointly on a series of initiatives to improve equity in primary and community care;
   - **Note** the Minister of Health has asked for advice on the role of primary and community care in the reformed health system;
   - **Note** there is a significant opportunity emerging for Te Aka Whai Ora to drive system change, in conjunction with Te Whatu Ora and Manatū Hauora, to embed te Tiriti into the design of the system;
   - **Agree** Te Aka Whai Ora will be bold and unapologetic promoters of a health system that works for Māori, being one that provides sufficient Māori owned, governed and staffed services to meet Māori population needs using hauora Māori models;
   - **Agree** Te Aka Whai Ora will consider providing independent advice to the Minister should we consider that necessary for the voice of Māori to be promoted, understood and responded to.

Context

3. Primary and community care is a key point of entry into New Zealand's health system for most people. It plays an important role in prevention and early intervention by supporting people to be well and stay out of hospital. It holds significant potential to reduce health inequities for Māori.

4. The current system does not work effectively for Māori. Services in primary care are often fragmented and not in line with how people wish to receive health care (i.e. holistically, in settings they feel comfortable in). There are significant barriers to access for Māori and traditional general practice has not worked well for Māori. The structure of funding has been inequitable, creating difficulties in directing appropriate investment to services for those in greatest need, including Māori designed and delivered services. There is a uneven distribution of the workforce and significant underinvestment in Māori workforce development and Māori providers.

5. In stage one of its inquiry into Wai 2575, the Waitangi Tribunal found the Crown has breached te Tiriti by failing to design and administer the current primary health care system to actively address persistent Māori health inequities and by failing to give effect to the Treaty's guarantee of tino rangatiratanga. The Tribunal found the Crown fails to properly fund the primary health care sector to pursue equitable health outcomes for Māori, by failing to target funding where it is needed most and failing to ensure money earmarked for Māori health issues is used for that purpose. The Health and Disability Service Review made similar findings.

6. The Pae Ora reforms respond to Wai 2575 and the Health and Disability Service Review and set up a single health service with the aim of providing consistent, high quality heal h services for all people in Aotearoa. Budget 22 allocated $86m over four years to provide additional funding to more equitably allocate primary care funding to general practices on the basis of their enrolled high needs populations. It also provided $102 million for community healthcare to identify and treat issues earlier.

7. Te Whatu Ora and Te Aka Whai Ora are working jointly on a ser es of initiatives to improve equity in primary and community care under the Early Actions Programme. This work includes the introduction of Comprehensive Primary and Community Care teams, expansion of telehealth services, piloting of remote patient monitoring to support rural Māori communities, using Te Ao Māori approaches, and workforce development initiatives. Joint work is also proposed for the next 12 to 18 months to reimagine the future of primary and community care, commencing mid-2023. As part of this, Te Whatu Ora and Te Aka Whai Ora intend to engage with the primary and community care sector and communities that have been traditionally underserved. The work will include a fundamental rethink of how services are funded and delivered, including how general practice will work within the context of the emerging locality structures.

8. At the same time, Manatū Hauora has developed a proposed primary and community care policy work programme focused on aspects of access, in particular financial barriers to access.

9. More recently, the M nister of Health has asked for advice on the role of primary and community care in the reformed system. The advice is to propose a long-term vision for the future of primary and community care (10 years) to better support prevention and early intervention and the management of chronic conditions. It is to cover potential models for the delivery of primary and community care and the levers that we could use to drive the necessary shifts in the system (financial and non-financial). We understand th s advice is due to the Minister at the end of March.

10. There is therefore a significant opportunity emerging to reimagine the future of primary and community care in a comprehensive and coordinated way across health and disability agencies so that it embeds te Tiriti and works for Māori.

Proposed Te Aka Whai Ora position

11. The Minister's request for advice presents a major opportunity for Te Aka Whai Ora to drive system change to deliver better for Māori.

12. A healthcare system that works for Māori would be:

    a. accessible
    b. affordable

c. culturally safe
d. racism-free
e. provide choice of service, by increasing the number of Māori practitioners and Māori providers
f. focused on whānau wellbeing (rather than individual illness), through intersectoral service design and delivery that is informed by whānau voices.

13. It would move away from the four walls of the traditional general practice clinic, offering a kainga and community-based outreach model of care, that includes rongoā and holistic, whole of whānau services that address the social determinants of health. Services would be available at the right time, in the right place, by trusted faces in trusted places.

14. To achieve this, funding arrangements, legislative settings, and workforce models need to be overhauled. Barriers to access – cost, distance, transport – need to be reduced. Hours and appointment times need to be extended (the current 15-minute GP appointments are unrealistic and work against holistic care evening and weekend appointments can be more accessible for many people). Mobile, outreach, telehealth and wrap-around services need to be strengthened. Consequences are needed for racist and culturally unsafe provider behaviours.

15. We need to be bold and unapologetic promoters of a healthcare system that is whānau-centred, sufficient for 900,000 Māori, achieves Māori health expectations, and meets the Treaty standards of self-determination, options and equity.

16. We need to advocate for progressing the right things in the right amounts, with unwavering adherence to a pro-equity framing. What is necessary and what is sufficient to achieve a system that delivers for Māori should be our guiding questions.

17. Our interim outcomes framework (attached) provides the lens through which to drive system change. Oranga Whānau through Mana Tāngata, Mana Atua, Mana Tīpuna, Mana Whenua and Mana Taiao.

Proposed Te Aka Whai Ora approach

18. This is a large and vital piece of work and needs to be approached and resourced in a way that recognises and supports its potential to have a massive impact on Māori health.

19. We consider a governance structure across Te Aka Whai Ora, Te Whatu Ora and Manatū Hauora is necessary to ensure coordination and a cohesive approach. Representation from policy and operational functions will be needed. Working groups will also be needed on the various elements of the system.

20. The project will need to be scoped and planned from vision and redesign through to implementation planning and execution. Different elements of redesign my proceed on different timelines, but it will be important to develop an overarching vision and framework as early as possible. Engagement with Māori (whānau, iwi, providers, workforce) through all phases will be imperative. Consultation with the wider sector and public will also be needed.

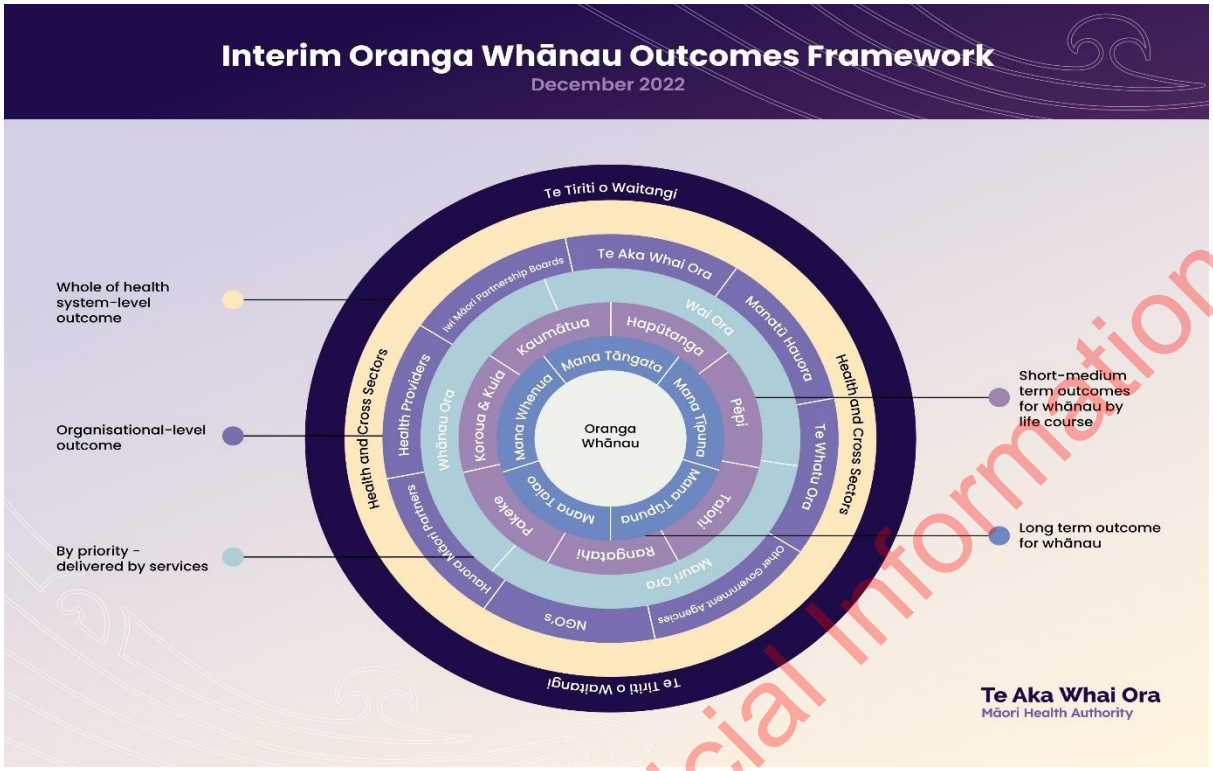
21. Subject to your endorsement, we propose to take a strong lead on this work, in conjunction with Te Whatu Ora and Manatū Hauora.

22. Should there be any challenge to our position on this work, we will look to exercise our statutory independence to ensure the voice of Māori can be promoted and the needs and aspirations of Māori to be understood and responded to.

Next Steps

23. If you agree, we propose to seek Board endorsement of the position and approach set out in this paper at their hui on 15 March. Note that at that hui Manatū Hauora has been invited to speak to the Board about their work regarding primary and community care.

Attachment: Outcomes Framework



	Outcomes for tangata whenua in Aotearoa New Zealand				
	ORANGA WHĀNAU				
At a population or whole of Aotearoa NZ level.	**Mana Tāngata**	**Mana Atua**	**Mana Tūpuna**	**Mana Whenua**	**Mana Taiao**
Longer term.	Whānau are proudly Māori within the modern world. They are healthy and prospering, enabling future generations to live well. The hauora system is free from racism, responsive and valued. Societal inequities no longer exist in Aotearoa. Whānau lead action for community wellbeing and are able to exercise decision making authority	Our wairuatanga continues to be a pillar of our wellbeing. Our whānau are thriving in te ao Māori and wider society is inclusive and welcoming toward them. Our belief practices are revitalized and practiced in health care and support the health of whānau throughout Aotearoa.	Ancestral wisdom underpins our wellbeing. Mātauranga Māori has guided us in our determination to flourish. Our whakapapa is affirmed and the beauty of our reo, kawa and tikanga are appreciated and experienced throughout Aotearoa. Our task now is to enable future generations to ensure intergenerational transmission to retain knowledge and wisdom so they too can flourish in the face of future challenges.	Our wellbeing is indivisible from whenua which nurtures, grounds, protects, advances and contributes to our wellbeing. Through the applications of tikanga we live as tangata whenua, growing our traditional tenure over lands, territories and waterways. Our land is a foundation for health, social, and economic wellbeing	Ranginui and Papatūānuku are our enduring foundations for health. When they are sound, they enhance our health and the wellbeing of other forms of life. The design of built environments and communities are health protecting. In 2040 all people of Aotearoa have been inspired to transform behaviour to respect the natural world and underline the importance of kaitiakitanga.
Example population-level data (existing data sets)[1]	In design[2]. Example, A reduction in the LE disparities between Māori and sole European	In design	In design	In design	In design

Short to medium term health sector CONTRIBUTION to the longer-term outcomes: in 2040, we will see Tangata Whenua in Aotearoa:

Outcomes for whānau by life course	**Hapūtanga** **(>0)**	**Pēpi** **(0-5)**	**Taiohi** **(6-11)**	**Rangatahi** **(12-19)**	**Pākeke** **(20-40)**	**Koroua & Kuia** **(41-65)**	**Kaumātua** **(65+)**
Overall	Māmā (and their whānau) are cared for and are well from pre-conception to birth. They have pregnancies free from harm and have culturally and clinically safe birthing experiences.	Pēpi (and their whānau) receive the best possible health service tailored to their immediate needs and delivered by a clinically and culturally safe workforce	Every Taiohi knows they belong with their whānau, and they are at the centre of decision making with their whānau. Their experience of health services is free from harm delivered by a cultural and culturally safe workforce.	Rangatahi (and their whānau) feel safe and protected. They experience high-quality services that are easy to access and navigate.	Pākeke and their whānau find services are easy to access and navigate and give clear and relevant health messages so that individuals and whānau can effectively manage their own health, keep well, and live well.	Koroua & Kuia (and their whānau) are self-managing, living healthy lifestyles and confidently participating in te ao Māori and in society	Kaumātua (and their whānau) are cared for and are offered a korowai of services, which will wrap around to keep them warm and safe.
Healthy lifestyles and environments	Māori flourish and thrive in environments that enables good health and wellbeing. Whānau are supported to live healthy and well lifestyles in ways that are meaningful to whānau.						
Access	Whānau have equitable access to the resources[3] they need to be as healthy as they can be, which includes prevention of ill health as well as access to services and solutions that promote and maintain oranga | wellbeing						
Experience	Māori, as direction setters of health services, have pathways to care that meet their immediate needs as well as their future needs across all stages of life. Whānau have good health, and that the health system works to ensure that the way it delivers services across the continuum of care, from prevention to specialist services for Māori at all ages. Service providers recognise Māori mana Motuhake. All health and disability services are provided in a culturally safe way that recognises and supports the expression of hauora Māori models of care.						
Cultural, clinical safety and Service options and choices	Whānau experiences services that are free from racism, bias, and discrimination. They have options and choices based on the 'best of' clinical and culturally safe care. Options and choices include te ao Māori and mātauranga Māori informed services as well as Taurite services.						
Enablers: workforce	Whānau are served by a workforce that respects and values the indigeneity of tangata whenua. The composition of the health sector workforce reflects the communities it serves. The Māori health workforce is in positions of leadership and influence to effect sustainable systems and service transformation. New workforce growth is invested in and proactively planned. Allies in the non-Māori workforce are supported to effect change and influence improved Māori outcomes.						

[1] Examples do not include mātauranga Māori or Te Ao Māori informed data sets at this stage. These are to be developed.
[2] These will be developed over the next 6 months in partnership with IMPBs and our hauora Māori partners
[3] Resources are broad in nature and may include people, technological, services, and other – as required.

Te Aka Whai Ora
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POLICY ITEM UPDATE	Date: 15 March 2023
To	Te Aka Whai Ora Board
From	Juanita Te Kani, DCE System Strategy and Policy
Subject	**Primary and Community Care – opportunity to drive system change**

What is this about?

- This paper briefs you on work underway in primary and community care and the emerging opportunity for Te Aka Whai Ora to drive system change to improve outcomes for Māori in partnership with Manatū Hauora and Te Whatu Ora. ELT endorsed the content of this paper on 6 March 2023.
- The paper supports your discussion with Steve Barnes, Group Manager Family and Community Health Policy, Manatū Hauora at your meeting on 15 March about primary and community care policy. A brief profile on Steve Barnes is attached for your information, including a copy of the slide that Steve will speak to.

Why is this important?

- Primary and community care is a key point of entry into New Zealand's heal h system for most people. It plays an important role in prevention and early intervention by supporting people to be well and stay out of hospital, but currently the system does not work well for Māori. This is recognised in Te Pae Tata.
- In stage one of its inquiry into Wai 2575, the Waitangi Tribunal found the Crown has breached te Tiriti by failing to design and administer the current primary health care system to actively address persistent Māori health inequities and by failing to give effect to the Tiriti guarantee of tino rangatiratanga. The Health and Disability Service Review made similar findings.
- Transformation of primary and community care funding tructures and models of care holds significant potential to reduce health inequities for Māori through improving access to care and early interventions in a holistic way.

What is underway?

- Te Whatu Ora and Te Aka Whai Ora are working jointly on a series of initiatives to improve equity in primary and community care under Te Pae Tata, the Early Actions Programme and Budget 22. Priorities include the equity adjustment for capitation, development of comprehensive primary and community care teams, expansion of telehealth services and workforce development.
- At the same time, Manatū Hauora has developed a proposed primary and community care policy work programme focused on aspects of access, in particular financial barriers to access. The initiatives proposed and underway largely involve incremental modifications to existing system settings.
- Recently, the Minist r of Health has asked for advice on the role of primary and community care in the reformed health system to better support prevention and early intervention and the management of chronic conditions, along with a long-term vision for primary and community care.
- The Min ster's request for advice presents a significant opportunity to begin to reimagine the future of primary and community care so that it embeds te Tiriti and works for Māori. We are working in partnership with Manatū Hauora to prepare this advice. It will be very preliminary and caveated with the need to engage with whānau Māori to enable on the ground direction as well as connect with both health strategy and locality planning processes.

What is Te Aka Whai Ora proposing?

- In working jointly with Manatū Hauora, we propose to push strongly for a primary and community care system that works for Māori through fundamental change at the system settings level (e.g. planning, funding, legislation, commissioning, workforce).
- As a preliminary position, we propose to advocate for system settings that enable sufficient Māori owned, governed and staffed services to meet Māori population needs using hauora Māori models.

- Such a system would provide sufficient alternatives to the traditional general practice model that are:
    - Accessible (home and community based, with flexible hours and appointment times)
    - Affordable (free of charge)
    - Culturally safe (provided in Māori settings by Māori practitioners)
    - Focused on whānau wellbeing rather than individual illness, through intersectoral service design and delivery that is informed by whānau voices (co-located services, improved support for Rongoā)
    - Able to maximise opportunities for engagement and delivery through technology.
- Our core priority would be increasing the number of Māori practitioners and Māori providers to enable by Māori for Māori healthcare sufficient to meet Māori population needs - services would be available at the right time, by trusted faces in trusted places. Rongoā would be supported on a more equal footing with western treatments and models of care. Achieving this will require significant changes to current delivery and funding models (including the capitation model) to support the provision of different models of care. This would include finding ways in which access to care and services could be maximised in the short term. A secondary priority would be requiring culturally safe, racism-free "mainstream" services.
- Our interim outcomes framework provides a lens by which to drive system change. Our position will however need to be informed by engagement with whānau Māori. To mitigate engagement fatigue, we will utilise knowledge from existing engagement, such as that on COVID-19 and the Hauora Māori strategy, to inform this work, and then undertake more specific direct engagement once we have identified the gaps in our knowledge.
- We will look to engage with IMPB's, whānau and communities in a way that capitalises on prior engagement and aligns with similar mahi that is underway so that Māori experience the r interactions with us in a way that makes sense from their point of view. We will work jointly with Manatū Hauora, Te Whatu Ora and Whaikaha to ensure coordination between all agencies.
- Further consideration is needed of the role of localities and locality plans, as well as IMPBs, in transforming primary and community care – the key will be ensuring the right system settings at a national level to enable local services to meet local needs in an equitable way, balancing national consistency with local flexibility.
- At some point a formal Te Aka Whai Ora posit on statement on what a primary and community care system that works for Māori looks like may be beneficial, to guide our organisation internally and our work with others externally. In particular, this work will help to inform our policy thinking and actions for both Te Pae Tata and Budget 2024.

What we are seeking from you:

- We seek your endorsement to:
    - work in partnership with Manatū Hauora on the development of a future vision for primary and community care that is driven by the voice of whānau Māori about their needs and aspirations for a health system that works for Māori
    - retain our ability to provide independent advice to the Minister should we consider that necessary for the voice of Māori to be promoted, understood and responded to.
- You may like to test the following questions with Steve Barnes:
    - How do you envisage Māori being involved from the outset in this mahi and having a meaningful role in identifying options and deciding on priorities?
    - What do you see as the most effective levers to use to create the conditions for real system change in service delivery and models of care to be more whānau-centred, equity-based and consistent with Te Tiriti o Waitangi?

Next steps

- We will continue to work jointly with Manatū Hauora to present preliminary advice to the Minister of Health on the opportunity to transform primary and community care settings to deliver better services and outcomes for Māori by mid-April, being explicit that Māori voice must inform this work and Māori must be involved throughout.

- The purpose of the preliminary advice is to seek Ministerial approval to start a broad conversation on the future vision for primary and community care. We will work to ensure the Pae Ora Strategy and Hauora Māori Strategy, both due for completion by June 2023, are compatible with transformation of the primary and community care system.

Attachment: Steve Barnes Profile & slide Steve will speak to

Photo

- Steve is the Group Manager Family and Community Health Policy, Manatū Hauora
- He has responsbility for policy covering primary and community care, women's health, child wellbeing, disability issues, community wellbeing, and whānau wellbeing
- Steve was the Interim Policy Lead at the Interim Māori Health Authority
- Steve has previously held various policy roles at the Ministry of Health, Te Puni Kōkiri and MBIE
- Outside of the public service, Steve has worked at Victoria Un versity and the Wellesley Institute, a Canadian non-profit charity working in research and policy to improve health and health equity through action on the social determinants of health

Primary and Community Care- Future directions

What should primary and community care feel like to individuals and whānau?

- I know what is available for me and my whānau
- I feel culturally and clinically safe
- I get the care that I need in a timely wa y
- I am not rushed through whakawhanaungatanga or my appointment/discussion
- All the services I need are well connected
- I feel heard, respected and understoo d

Developing a vision for primary and community care

For example:

- Wellbeing focused and prevention based
- Culturally safe
- Community driven
- Sustainable
- Accessible
- Continually improving

How will we enable the system to meetthese needs and aspirations?

- Localities planning (integration, coordination, collaboration)
- Approaches to contracting, including joint contracting with other agencies
- Funding models (including how we fund providers and whether/how people pay for their care)
- Workforce (clinical and non -clinical)
- Use of technology and digital health solutions
- Encouraging provider diversity (including Māori providers)

Informing

Pae Ora Strategies→ Gov ernment Policy Statement→ Te Pae Tata

Future Primary and Community Care System

Te Aka Whai Ora
Māori Health Authority

Aide-Mémoire

Primary Care Funding Formula – Equity Adjustments to Capitation

Date due	5 April 2023	**Priority**	Choose an item.
To	Hon Peeni Henare, Associate Minister of Health (Māori Health)		
Copy to	Hon Dr Ayesha Verrall, Minister of Health		
Security classification	In Confidence	**Tracking number**	MHA15838

Contact for discussion (if required)			
Name	**Position**	**Phone**	**1st contact**
Cherie Seamark	Co-Director, Early Actions Programme - Primary, Community and Rural Te Aka Whai Ora General Manager Primary and Community Care, Te Aka Whai Ora	s 9(2)(a)	X
Astuti Balram	Co-Director, Early Actions Programme - Primary, Community and Rural Te Whatu Ora	s 9(2)(a)	

The following departments/agencies have been consulted
This is a joint Te Aka Whai Ora and Te Whatu Ora development. Te Whatu Ora Primary Health Care System Improvement and Innovation Group, Commissioning

Purpose

1. This aide-mémoire provides you with:
    a. an update on implementation of the Budget 22 'Primary Care Funding Formula – Equity Adjustments to Capitation'.
    b. a recommended approach to the announcement of this initiative.

Recommendations

2. Te Aka Whai Ora recommends that you:
    a. **note** Budget 22 allocated $12.758m in 2022/23 and $24.414m per annum ongoing from 2023/24 for the purpose of providing additional funding to more equitably allocate primary care funding to general practices on the basis of their enrolled high needs populations.
    b. **note** the Equity Adjustment to Capitation funding FY 22/23 and FY 23/24 will be allocated as follows:
        i. $80 per Māori or Pacific person enrolled with Māori or Pacific provider

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practices.

ii. $40 per Māori or Pacific person enrolled in non-Māori or non-Pacific practices, who have enrolled populations more than 50% Māori or Pacific peoples.

c. **note** this investment targets additional funding to all 78 Māori and all 17 Pacific provider practices, in addition to 75 other practices with more than 50% of their enrolled population being Māori or Pacific peoples.

d. **note** concurrent to this aide-mémoire, a joint aide memoire from Te Whatu Ora and Te Aka Whai is being presented to Minister Verrall for the announcement of Budget 2022 initiatives Comprehensive Primary and Community Care Team and Health Workforce Development.

e. **note and advise** if the Minister would like to formally announce this funding initiative as proposed in the next two weeks.

Potential Announcement

3. The national primary care funding formula for first level services does not equitably distribute funding according to population health need because it does not account for ethnicity, deprivation and does not adequately differentiate health care need across age bands.

4. Te Aka Whai Ora and Te Whatu Ora have confirmed the implementation of the Budget 22 initiative 'Primary Care Funding Formula – Equity Adjustments to Capitation' which allocates $12.758m in FY 22/23 with $24 414m FY 23/24 as follows.

    a. $80 per Māori or Pacific person enrolled with Māori or Pacific provider practices.

    b. $40 per Māori or Pacific person enrolled in non-Māori or non-Pacific practices, who have enrolled populations more than 50% Māori or Pacific peoples.

5. This initiative provides additional funding to primary care so general practices can be funded more equitably on the basis of their enrolled high needs populations, to help improve health outcomes and achieve health equity by enabling providers to sustainably deliver high quality services.

6. The targeted investment to Māori and Pacific providers and specific practices based on their enrolled Māori and Pacific populations balances provision of a more meaningful uplift that reaches a broad spread of practices (but not all) being able to improve access and care for their population.

7. Whilst it doesn't solve all the problems, the Equity Adjustment to Capitation is an important first step towards addressing the current shortfall in the current funding formula. Implementation of the allocation in future years will be incorporated into the longer-term primary and community care funding review.

8. A provider visit can be arranged for you to announce this initiative. If your office could confirm your interest in doing so, we can work with them to arrange this.

Risks with the Announcement

9. While this is expected to be a welcomed investment into the primary, community and rural sector, there several risks associated with the initiatives.

10. The Equity Adjustment funding will be targeted to practices with higher Māori and Pacific populations. Practices and partners who will not receive funding may raise concerns. A number of investment options were considered by the Te Aka Whai Ora and Te Whatu

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Ora ELTs with the chosen method considered to provide the best balance of providing a more meaningful funding uplift and reaching those practices who currently bear the burden of underfunding.

11. Enrolled populations of practices fluctuate, however the funding to practices will be fixed across the FY 22/23 and FY 23/24 based on the current enrolment data. It is acknowledged that the demographics of a practice's enrolled population will change over time, and these changes should be incorporated into the longer term revised primary and community care funding approach.

Background

12. Capitation funding and patient co-payments, together buy capacity and time to deliver first contact primary care as described in the Primary Health Organisation (PHO) Service Agreement (PHOSA).
13. Whānau Māori find it more difficult to access primary and community healthcare than non-Māori for a multitude of reasons, including the availability, affordability and acceptability of care. Māori are also more likely than non-Māori to experience unfair treatment by a health professional because of ethnicity. As a result of the inequities in the current system, we know that Māori die younger than the population overall and have higher rates of hospitalisation compared to other ethnicities.

Te Tiriti o Waitangi

14. The Waitangi Tribunal's Hauora: Report on Stage One of the Health Services and Outcomes Inquiry (the Hauora Report) was released in 2019 and focused on systemic issues and the primary health care sector. The Hauora Report found that the legislative, strategy and policy framework, the funding arrangements, the way health entities are held to account, and the partnerships that the Crown has with Māori, were not Tiriti compliant and that this has contributed to serious and persistent health inequities for Māori.

Wai 2575

15. In stage one of its inquiry into Wai 2575, the Waitangi Tribunal found the Crown has breached te Tiriti by failing to design and administer the current primary health care system to actively address persistent Māori health inequities and by failing to give effect to the Tiriti guarantee of tino rangatiratanga. The Health and Disability Service Review made similar findings.
16. Transformation of primary and community care funding structures and models of care holds significant potential to reduce health inequities for Māori through improving access to care and early interventions in a holistic way.
17. On behalf of the WAI 2575 claimants, Sapere Research Group were commissioned to develop a methodology to measure the underfunding of Māori PHOs and providers which was published in July 2021.
18. The Health Transition Unit of the Department of Prime Minister and Cabinet commissioned Sapere in September 2021 to complete a review of primary care capitation and develop options for a new capitation formula that could sustainably and equitably fund the core general practice team.
19. The Waitangi Tribunal WAI2575 report and the Sapere Capitation Review highlighted there is insufficient capacity in the system to deliver optimal care, and recommended changes to the funding model to accommodate this varied need by ethnicity, age and deprivation.

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20. The WAI2575 report notes an "acceptance by all concerned including Crown witnesses" that primary healthcare providers serving predominantly high-needs communities are underfunded, and that Māori providers are particularly impacted.
21. The Capitation Review report identified over $1.1b was required to uplift the whole of primary care, and that the greater burden of underfunding is borne by practices serving high proportions of high needs populations.
22. We know that hauora Māori partners are innovative, conscientious and committed to whānau and the communities they serve. They face constant daily hurdles and often rely on whanaungatanga, awhi and manaakitanga to care for whānau and continue to operate.

Discussion

Budget 2022

23. Budget 22 allocated $12.758m in 2022/23 and $24.414m per annum ongoing from 2023/24 for the initiative Primary Care Funding Formula – Equity Adjustments to Capitation.
24. The Budget allocation does not define specific services this funding is commissioning but describes it as additional funding to what is already contracted for through the Primary Health Organisation (PHO) Services Agreement (PHOSA), particularly First Level Services and General Medical Se vices

Investment Methodology

25. The Capitation Review identified estimates that additional funding of $40pp for sustainability and $160pp for increased capacity to meet unmet needs, suggests an increase of approximately $200pp to current capitation is required to enable a meaningful uplift.
26. Investment options were modelled for the funding based several population factors. A targeted investment approach to specific practices based on their enrolled Māori and Pacific populations, and prioritising Māori and Pacific providers, funding will balance the provision of a meaningful uplift with population reach.
27. In comparison, if a funding investment option for widespread coverage across every practice was implemented, practices would receive comparatively smaller funding and would unlikely be able to implement a specific service improvement.
28. The agreed proposed investment targets funding to practices based on:
    a. $80 per Māori or Pacific person enrolled with Māori or Pacific provider practices
    b. $40 per Māori or Pacific person enrolled in non-Māori or non-Pacific practices in practices with more than 50% of the enrolled population being Māori or Pacific people.
29. The higher funding weighted to Māori and Pacific provider practices acknowledges the principles of Te Tiriti of Waitangi, particularly the principles of Equity, Active Protection and of Options. Also, the 'Health Sector Principles' in s7 of the Pae Ora Act 2022.
30. Based on primary care enrolment data as at February 2023, funding allocations reach all 78 Māori and all 17 Pacific provider practices, in addition to a further 75 practices with more than 50% of their enrolled population being Māori or Pacific people. The funding will reach approximately 122,000 Māori and 126,000 Pacific people.

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Payments and Accountabilities

31. Practices accepting their funding offer will receive instalments aligned with usual capitation payments. Funding is back-dated to 1 January 2023 and will continue for 24 months to 31 December 2024, or until such time as the capitation review is completed and supersedes the Equity Adjustment to Capitation.
32. As the Budget allocation does not define any specific services the funding is purchasing but is an addition to existing capitation-based funding, the targeted practices will have flexibility in how they utilise the Equity Adjustment to Capitation funding. In addition to improving sustainability, service improvements that may be impactful for Māori and Pacific enrollees, and be achievable within their business model, may include:
    a. More responsive care for the health, social and cultural needs of their high-needs populations
    b. Investment in a culturally safe workforce that improves whānau experience of care
    c. Improved service coverage (eg, new workforce, increased opening hours, greater number of appointments, more flexibility)
    d. Removal of co-payments for priority people and whānau.
33. Funding agreements with the targeted practices include requirements to describe their selected service improvement and report the related impacts. Monitoring of how funding is applied by practices and the impact of this will be agreed at the time of offer.

Related Budget 22 Initiatives

Comprehensive Primary and Community Care Teams (CPCT) and Health Workforce Development

34. Te Aka Whai Ora and Te Whatu Ora have confirmed the initiation of CPCT and Health Workforce Development initiatives from May 2023.
35. Budget 22 allocated $5.854m in FY 22/23, $61.146m in FY 23/24 and $35m in FY 24/25 to fund additional frontline clinical team members in primary care, including pharmacists, care coordinators, physiotherapists, kaiāwhina and other roles aligned to local needs.
    a. in FY 22/23 CPCT will be targeted to resource about 193 FTE to establish kaiāwhina in all areas of system pressures (Counties Manukau, Northland, Auckland, Waitematā and Bay of Plenty regions), and the full CPCT in early localities.
36. Budget 22 also allocated $4.9m in FY 22/23 for training and growth of the primary, community, and rural workforce. This will be targeted to the professional development of the kaiāwhina workforce.
37. CPCT will provide a broader range of services supporting people with complex conditions to receive early intervention, faster treatment, and better support to change social and lifestyle factors with patients and whānau, addressing the impacts of long-term conditions particularly for Māori, Pacific and rural whānau. Workforce development within these CPCT and across the primary, and community care sector is vital for the maintenance and growth of these workforces.
38. Parts of the sector will welcome this additional resource into a strained primary care system, in particular prior to the seasonal pressures and be supportive of the diversification of and support for the workforce across primary and community care.

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39. Concurrent to this aide-mémoire, an aide memoire from Te Whatu Ora and Te Aka Whai Ora is being presented to Minister Verrall for the announcements of these initiatives.

Next Steps

40. Please advise if you would like to announce this initiative, and any further information required.

Te Aka Whai Ora
Māori Health Authority

Background points for meeting with Minister of Health re Primary and Community Care Cabinet paper, 16 May 2023

The reforms intend for the locality approach to support local voice in health service planning, responding to local needs and aspirations, and partnership decision-making with IMPBs, while maintaining core services nationwide

- The Pae Ora reforms deliberately set up different planning and organisation of primary and community care services through the locality approach
- Localities are about supporting local voice, including the voice of whānau, hapū and iwi, to influence health service planning to improve hauora for everyone in their area in conjunction with national priorities
- Based on the premise that communities know their own needs best, but we also need a level of national consistency and core services available everywhere
- Locality plans are able to add a focus on particular needs of a community (eg diabetes, asthma, hapū mama, sexual health) alongside core services and national priorities
- Locality approach is also intended to support a preventative, population health approach that connects to the social determinants of health to keep people well and support pae ora
- Comprehensive care teams within localities will combine traditional primary care services (GPs and registered nurses) with physiotherapists, practice-based pharmacists, care coordinators, counsellors and kaiāwhina
- They are intended to provide more joined-up, person-centred, service delivery
- This team approach will provide more efficient use of the workforce as well as improve access to care for people

We already have examples of comprehensive care teams and provider networks working, COVID demonstrated the effectiveness of this model, the objective of the reforms is to support this approach to grow

- Already being done by many hauora Māori providers, which have provided the template
    - **Kokiri Marae Hauora** (Wellington): health and social services provider, covering health promotion, screening, nursing services, outreach immunisation and diabetes services, stop smoking services, family violence support services, counselling
    - **Whānau Ora Community Clinics** (started in South Auckland, now multiple locations): a ground-up initiative with co-located or connected doctor or nurse practitioner, nurse, social worker, counsellor, community lawyer or whānau navigator, mobile units for home visits, kai services
    - **Whānau Ora service providers** (nationwide): Whānau Ora providers (eg Te Whānau o Waiperaira) expanded their mahi during COVID-19 and took services to the people – providing mobile vaccination and testing clinics, drive through vaccinations, targeted communications, kai and hygiene packs, intensive support to isolating whānau and grants for needs, such as heating

    - **Manawatū provider network**: Māori providers have collectivised to work in collaboration and avoid competition fur funding between them

- We can take you to see some of these in person
- It's about growing and expanding this model to provide more joined-up, person-centred, service delivery as the norm
- GPs will continue to play a vital role but their time and skill can be targeted, as part of a team approach, to when that level of care is needed - will help to manage shortages and workloads and resulting access constraints

There are still details to be worked through to implement the reforms and further system shifts will likely be needed to support equity, workforce and technology advancements

- These new components – localities, locality partnerships, locality plans, provider networks and comprehensive care teams – are still rolling out
    - The legislation provides quite a bit of direction about roles and requirements, but further guidance and specification could be helpful – as long as we don't negate the intentions of the reforms
    - Some things still need to be considered and worked out in the primary and community care space:
        - funding models
        - ownership models
        - workforce models and pipe ine
        - utilising digital technology to support the workforce and improve access to care – there is significant unrealised opportunity regarding technology advancements
    - Some things could look at as urgent issues/quick-wins:
        - Unenrolled population
        - Prescription co-payments

We are working closely with Manatū Hauora and Te Whatu Ora on the draft Cabinet paper

- It will be useful to capture the intent of the Pae Ora reforms for primary and community care, the various roles and responsibilities of the new components, gaps for further policy development, and a policy work programme for primary and community care
- We are providing information to support content
- We are reviewing and commenting on drafts
- We have no concerns at this point with the direction of the draft paper
- Te Aka Whai Ora has a vital role to play in this area

Te Aka Whai Ora
Māori Health Authority

ELT cover note

Document Details

For inclusion to ELT for:	29 May 2023	**Deadline for inclusion:**	26 May 2023

Contact

Name	Position	Telephone	Responsible Director
Russell Bates	GM Policy		Juanita Te K ni

Subject

Workstream	Topic	For ELT?	For Board?
Policy	Primary and Community Care	Yes	Yes (policy sub-committee)

For noting

ELT is asked to note the attached draft Cabinet paper titled "Achieving Pae Ora through primary and community healthcare", prepared by Manatū Hauora.

ELT is asked to note the partnership approach we are aiming to take on this kaupapa.

Other relevant information

The Cabinet paper has been prepared at the request of the Minister of Health, who is looking for greater clarity on the role of localities and the direction of primary and community care more generally under the Pae Ora reforms. The Cabinet paper seeks agreement to design features to underpin the direction of primary and community care, policy parameters for localities, and an initial policy work programme for primary and community care.

We support the content of the paper as it relates to localities. We have concerns about the policy development approach being taken for the design features and key policy areas for primary and community care, which is very Crown-driven. The policy team is working to take a partnership approach with Manatū Hauora on the paper and the future policy work programme for primary and community care to ensure a strong hauora Māori lens is embedded within all policy advice presented to the Minister, not presented separately. This is a vital part of doing things differently post the reforms. We retain our ability to provide independent advice should we consider that necessary for the voice of Māori to be promoted, understood and responded to.

The role we wish to take within this kaupapa is bringing a total health and wellbeing perspective. Ie, primary and community care is broader than a narrow health lens from a hauora Māori perspective. This is reflected in the design of the locality approach, which is discussed in the draft Cabinet paper, and the paper itself. Te Aka Whai Ora will support this approach through its policy work as well as service development and support for localities.

The role of the Board in this mahi is to influence policy development through its positions on key matters, influence the decision-making of Te Whatu Ora through its Board, and give direction to our work in relation to localities, service development and commissioning.

PMO contact	Please note who your PMO contact person was for this item

ELT notes / feedback

☐ **Approved** ☐ **Further work required** ☐ **Other (see ELT notes)**

Te Aka Whai Ora
Māori Health Authority

Memorandum

To:	Jade Sewell, Deputy Chief Executive – Service Delivery
From:	Cherie Seamark, General Manager Primary and Community
Date:	15 June 2023
Subject:	Comprehensive Primary and Community Care Teams Kaiāwhina and Workforce Development

Contact for telephone discussion (if required)			
Name	**Position**	**Te ephone**	**1st contact**
Harley Rogers	Director Commissioning – Primary and Community Care	s 9(2)(a)	x
Alana Ewe-Snow	Director Primary and Community Care Workforce		x
Adrienne Percy-Cashell	Senior Portfolio Manager Commiss oning	s 9(2)(a)	

Recommendation

1. It is recommended that you:

1.	Note	On 10 May 2023 Te Whatu Ora transferred funding to Te Aka Whai to lead the Budget 22 Comprehensive Primary and Community Care Teams Kaiāwhina and Workforce Development initiative. Appendix one.	Yes/No
2.	Note	The Primary and Community Care commissioning team is working with Regional Directors and staff to identify, engage and s 9(2)(j) with capability and experience to deliver Kaiāwhina solutions	Yes/No
4.	Note	Cont acts with hauora partners to deliver Kaiāwhina solutions will be signed s 9(2)(j) .	Yes/No

Purpose

2. To advise the approach for commissioning Early Actions Programme Kaiāwhina workforce solutions funded through Budget 22 as part of the Comprehensive Primary and Community Care Teams initiatives.

Background

3. Budget 2022 appropriated time-limited funding to Te Whatu Ora for Comprehensive Primary and Community Teams and Kaiāwhina and Health Workforce Development as follows.

3. In May 2023 Te Whatu Ora transferred funding to Te Aka Whai to lead and implement the Kaiāwhina and Workforce Development (Kaiāwhina) initiative with hauora Maori partners.

4. Te Aka Whai Ora and Te Whatu Ora have worked in partnership on the Early Actions Programme for Primary, Community and Rural and have agreed on the process for commissioning Kaiāwhina solutions.

5. Te Aka Whai Ora is working with Regional Directors to s 9(2)(j) .

Purpose of the Kaiawhina and Workforce Development funding

6. Funding through the Kaiāwhina initiative will support kaiāwhina within hauora Māori partner organisations to provide te ao Māori support, co-ordination, navigation, advocacy and education for whanau. While Hauora partners will deliver their kaiāwhina approach according to their organisation and or rohe, solutions are expected to meet the objectives of the with Comprehensive Primary Care Team initiative including supporting whānau to access primary and community care, and support to navigate prevention and treatment services.

Funding

7. Funding transferred from Te Whatu Ora to Te Aka Whai Ora for Kaiāwhina solutions will be allocated as follows:

Area	Kaiāwhina solution allocation	Workforce development allocation	Total allocation	FTE allocation
Te Tai Tokerau	s 9(2)(j)			
Ora Ika Roa				
Te Manawa Taki				
Te Wai Pounamu				
Te Aka Whai Ora total				

Commissioning approach

8. Te Aka Whai Ora is working with Regional Directors to s 9(2)(j) Te Aka Whai Ora will use the Te Whatu Ora's service coverage guidance (appendix one) to commissioning Hauora Māori partners to achieve Aotearoa geographic coverage.

9. Agreements terms between Te Aka Whai Ora and Hauora Māori Partner(s) s 9(2)(j)

10. Agreements between Te Aka Whai Ora and hauora Māori partners will have two service lines. 1) Kaiāwhina solution and workforce development.

11. Hauora Māori partner criteria to deliver the kaiāwhina solution, hauora Māori partner:

- meet the hauora Māori partner criteria i.e. 75% Māori governance and or Māori ownership
- s 9(2)(j)
- s 9(2)(j)

12. The commissioning timeline is as follows:

Action	Expected date
Commissioning approach agreed	s 9(2)(j)
Regional Directors work with local hauora partner networks to identify partners to deliver Kaiawhina solutions	
Te Aka Whai Ora work with selected partners to develop agreements	
Agreements signed	