The *cassis belli* for reform of the New Zealand health workforce

Professor Des Gorman BSc MBChB MD PhD

Executive Chairman

Towards a sustainable, diversified and fit for purpose health workforce

- A challenged health system – the New Zealand health system in 2009/10; the *cassis belli* for reform of the health workforce
  - Friday 11 June 2010 0830-0900
- The way ahead - diversification of the New Zealand health workforce through intelligence, innovation and clinical leadership
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- Interactive discussion of how primary health care is configured and how services are delivered
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  - Sunday 13 June 2010 1200-30

The *cassis belli* for reform of the New Zealand health workforce

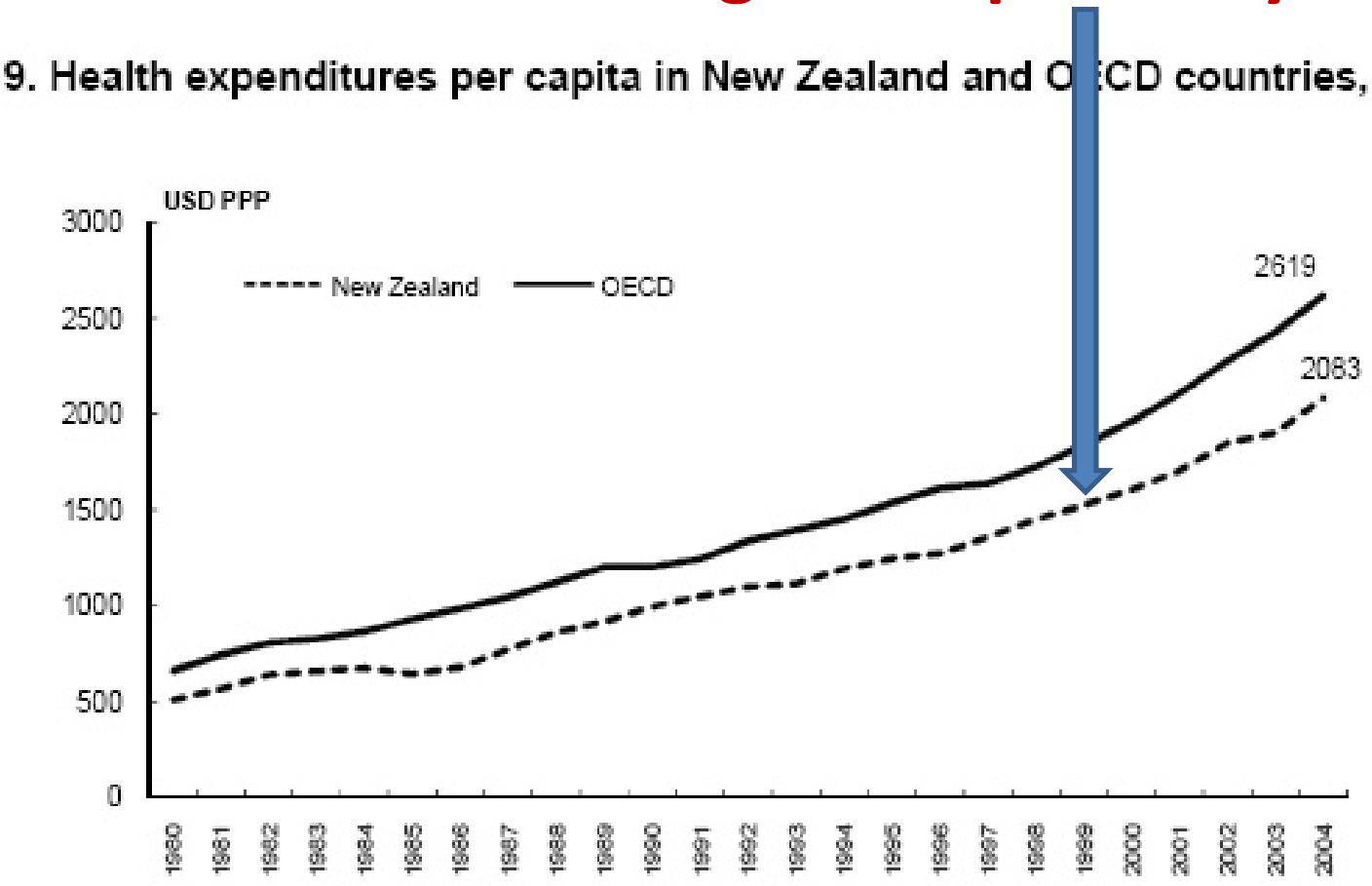
- What is the basis of citizenship in New Zealand and what do New Zealanders expect of their societies?
- Why is the *taonga* of universal health care for New Zealanders so threatened and threatening?
- Why is there a sense of urgency and what does failure look like?

Why is the *taonga* of universal health care so threatened and threatening?

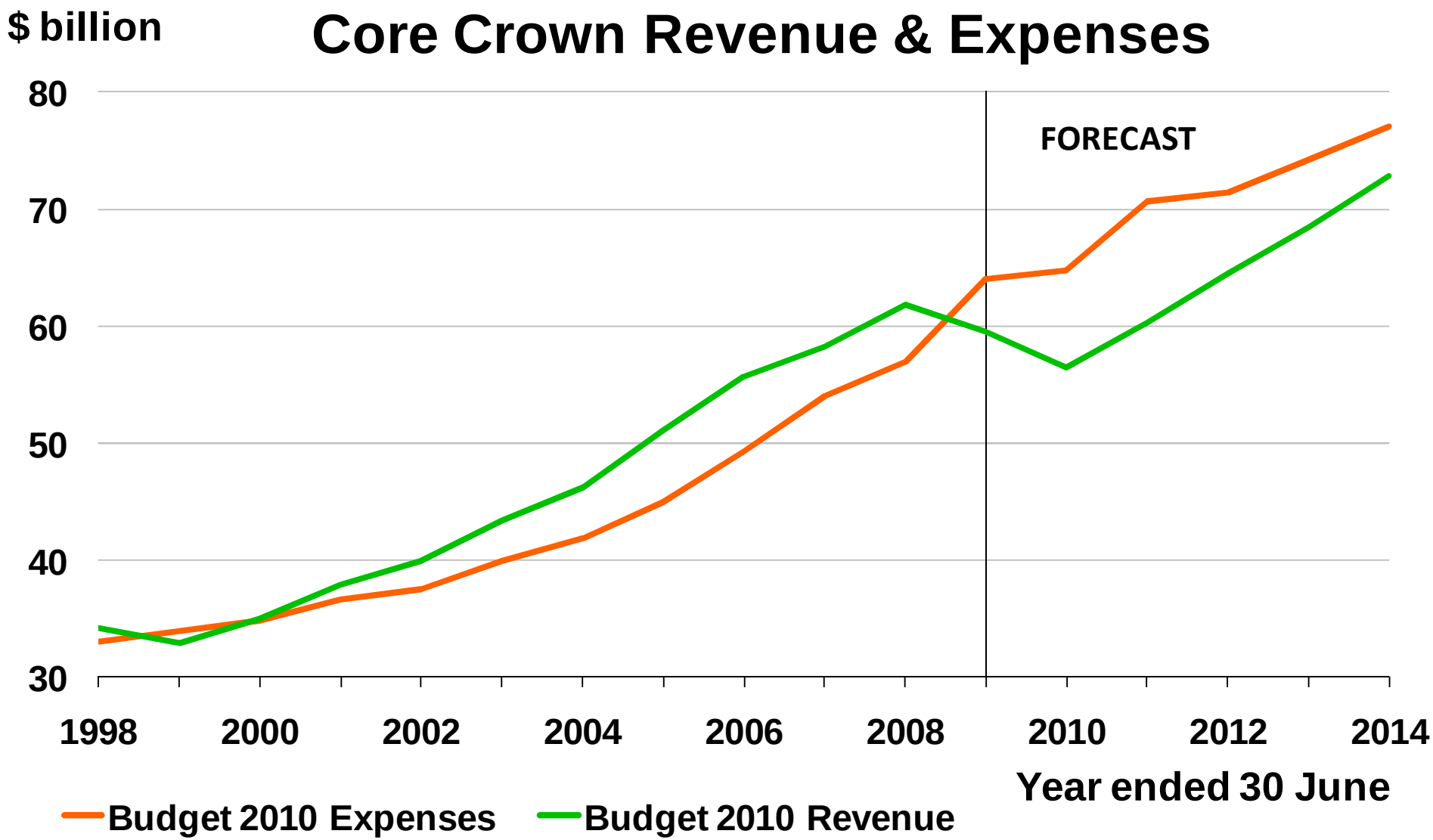
Chart 9. Health expenditures per capita in New Zealand and OECD countries, 1990-2004

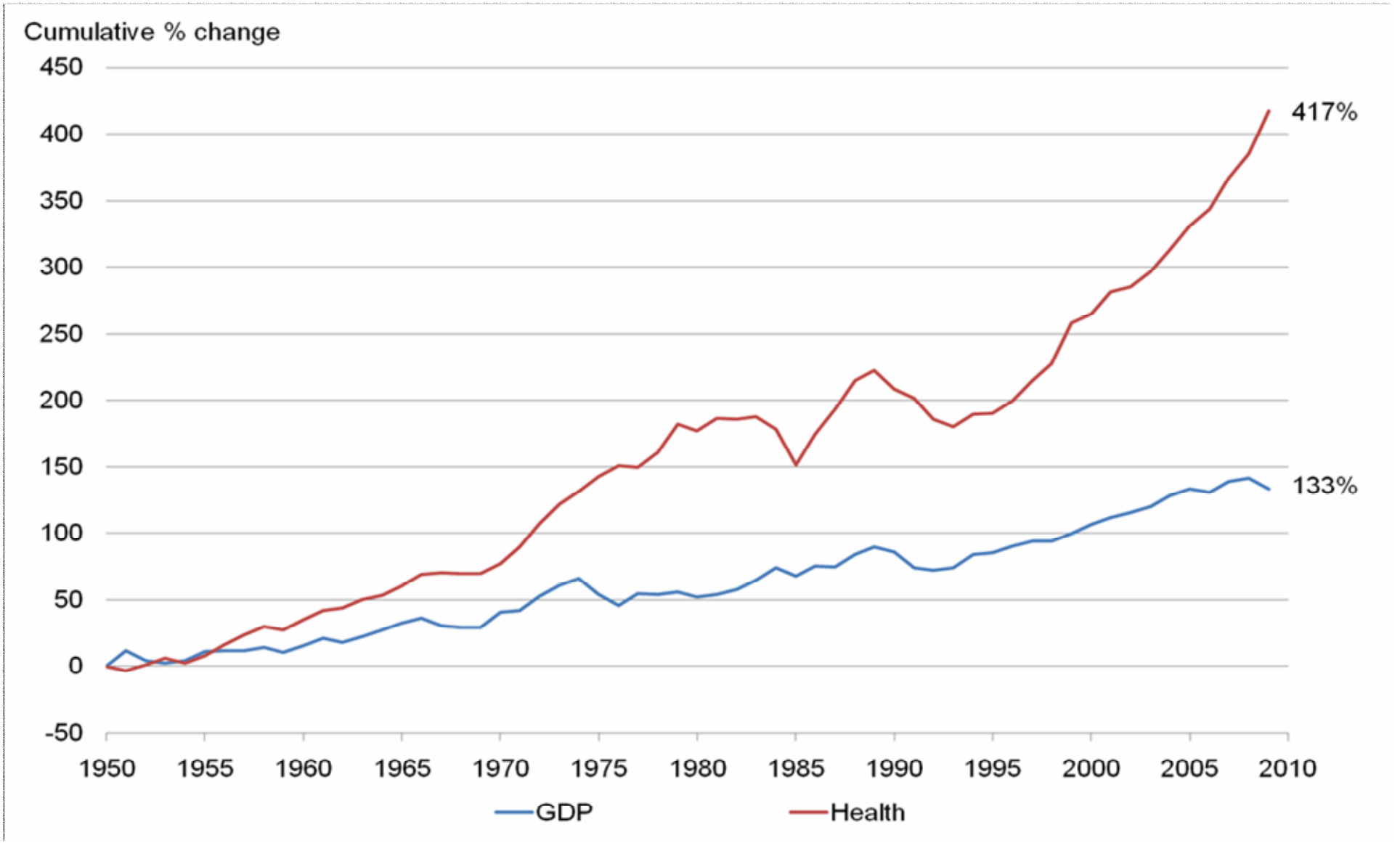
Source: OECD Health Data 2006

Health spend at 8.4% GDP, 20% of total Government spend and 50 and 40% of new money in the 2009 and 2010 Budgets respectively



Source: OECD Health Data 2006

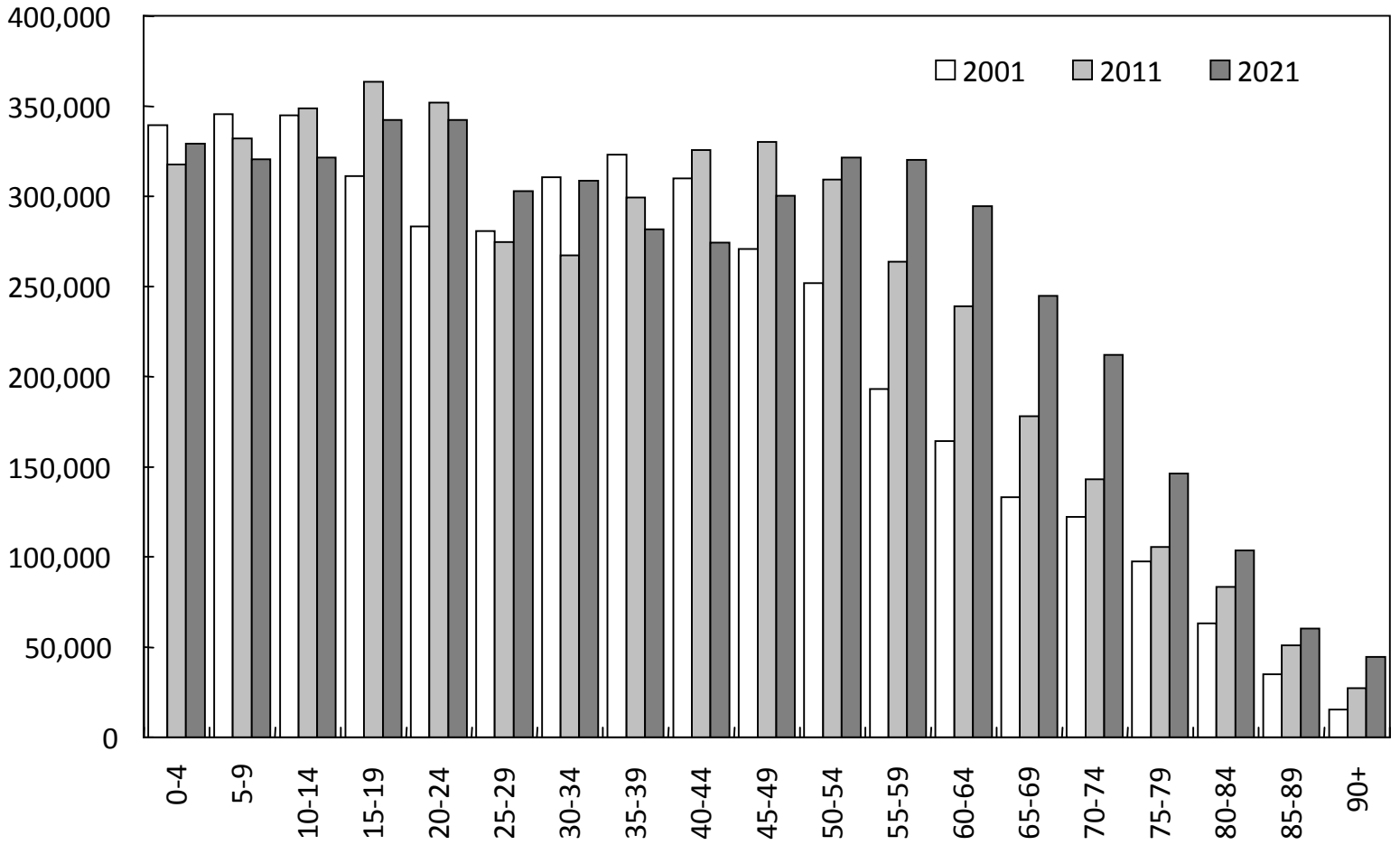

$ billion
Core Crown Revenue & Expenses
80
70
60
50
40
30
FORECAST
1998
2000
2002
2004
2006
2008
2010
2012
2014
Year ended 30 June
Budget 2010 Expenses
Budget 2010 Revenue


Cumulative % change
450
400
350
300
250
200
150
100
50
0
-50
1950
1955
1960
1965
1970
1975
1980
1985
1990
1995
2000
2005
2010
417%
133%
GDP
Health

NZIER (2005)

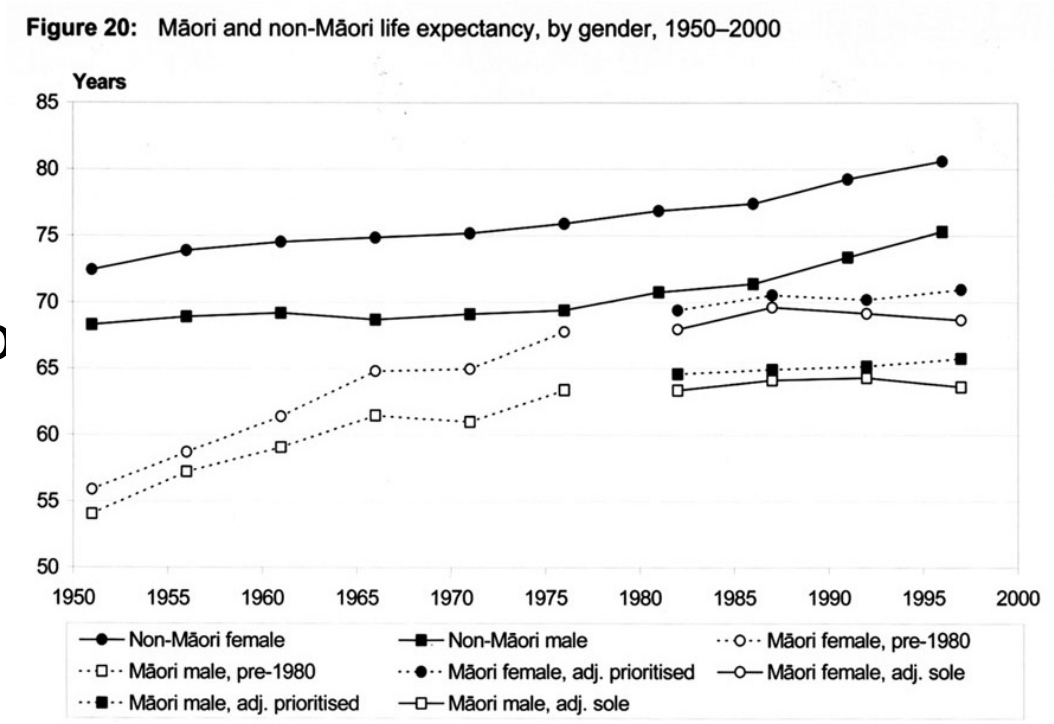
NZ Population Projections by Age Cohort
(Assuming medium population growth)

A significant increase in health service demand due to ageing alone!



The *cassis belli* for reform of the New Zealand health workforce

- What is the basis of citizenship in New Zealand?
- Why is the *taonga* of universal access to excellent health care so threatened and threatening?
- Why is there such a sense of urgency and what does failure look like?

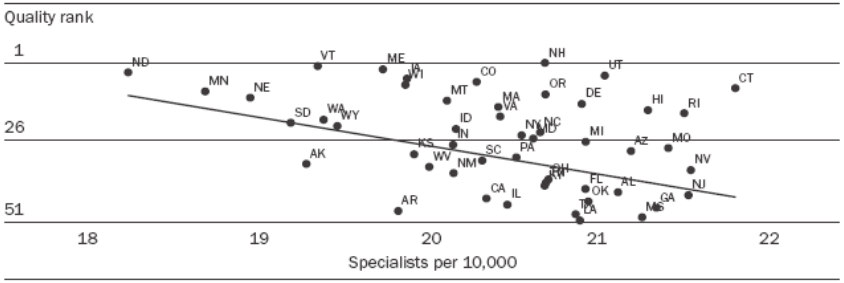


The New Zealand Health System in 2009/10

- A health system that meets most people's needs, but, perhaps largely due to the quality and good will of the health workforce.
- A health system in which the good will of the health workforce has been eroded and in which there is a schism between governors and clinicians.
- A health system that is increasingly segregated and tribal.

A workforce that is not well distributed against need in respect to discipline, ethnicity and both geography and demography

EXHIBIT 6
Relationship Between Provider Workforce And Quality: Specialists Per 10,000 And Quality Rank In 2000



SOURCES: Medicare claims data; and Area Resource File, 2003.
NOTES: For quality ranking, smaller values equal higher quality. Total physicians held constant.

EXHIBIT 7
Relationship Between Provider Workforce And Medicare Spending: Specialists Per 10,000 And Spending Per Beneficiary In 2000

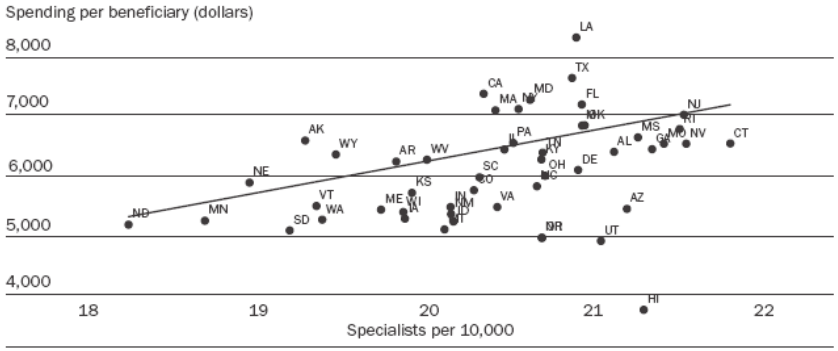


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EXHIBIT 8
Relationship Between Provider Workforce And Quality: General Practitioners Per 10,000 And Quality Rank In 2000

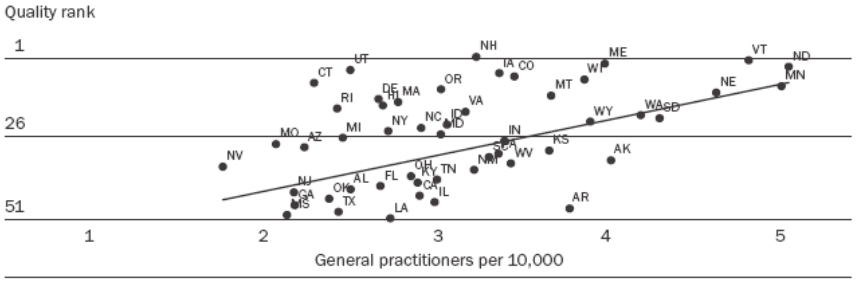

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EXHIBIT 9
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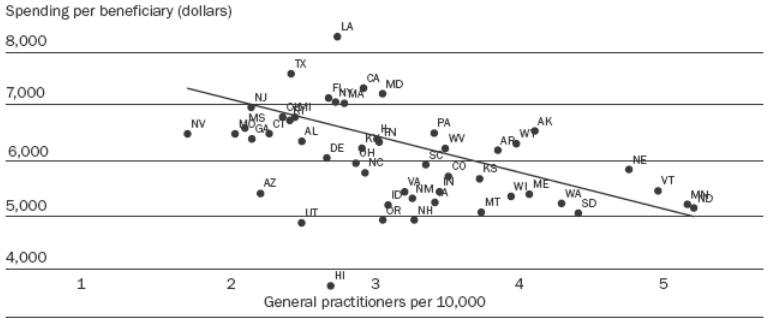
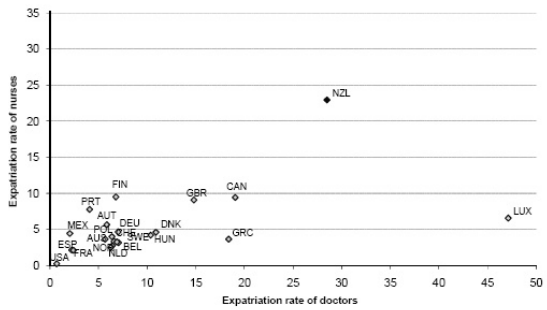


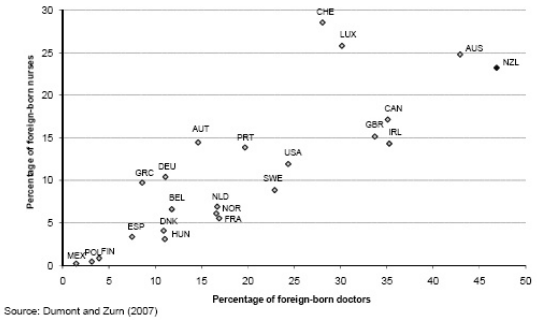
SOURCES: Medicare claims data; and Area Resource File, 2003.
NOTE: Total physicians held constant.

A health system that has an unsustainable reliance on immigration

Chart 7. Expatriation rates and percentages of foreign-born doctors and nurses, selected OECD countries, circa 2000

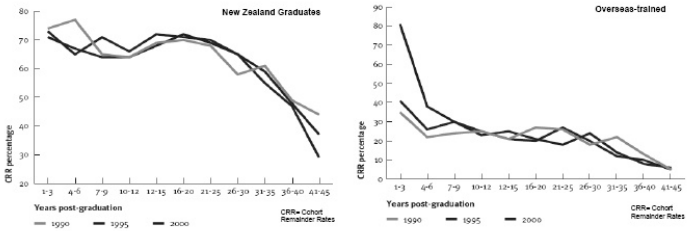


Source: Dumont and Zurn (2007)



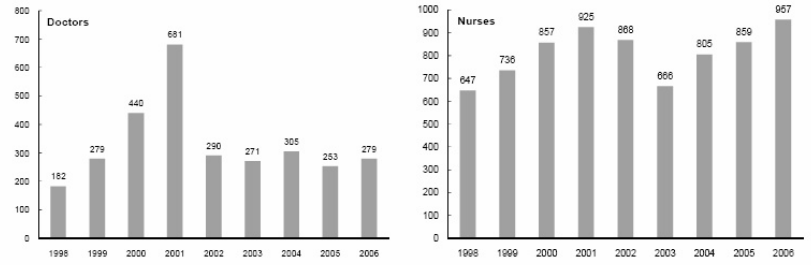
Source: Dumont and Zurn (2007)

Chart 16. Percentage of New Zealand graduates and overseas-trained doctors retained in the New Zealand workforce 1990, 1995 and 2000



Source: New Zealand Medical Council (2000)

Chart 18. Yearly permanent and long term arrivals of New Zealand doctors and nurses to Australia, 1998-2006



Note. Data refer to permanent and long term movements and settlers arrivals of doctors
Source: Department of Immigration and Multicultural Affairs

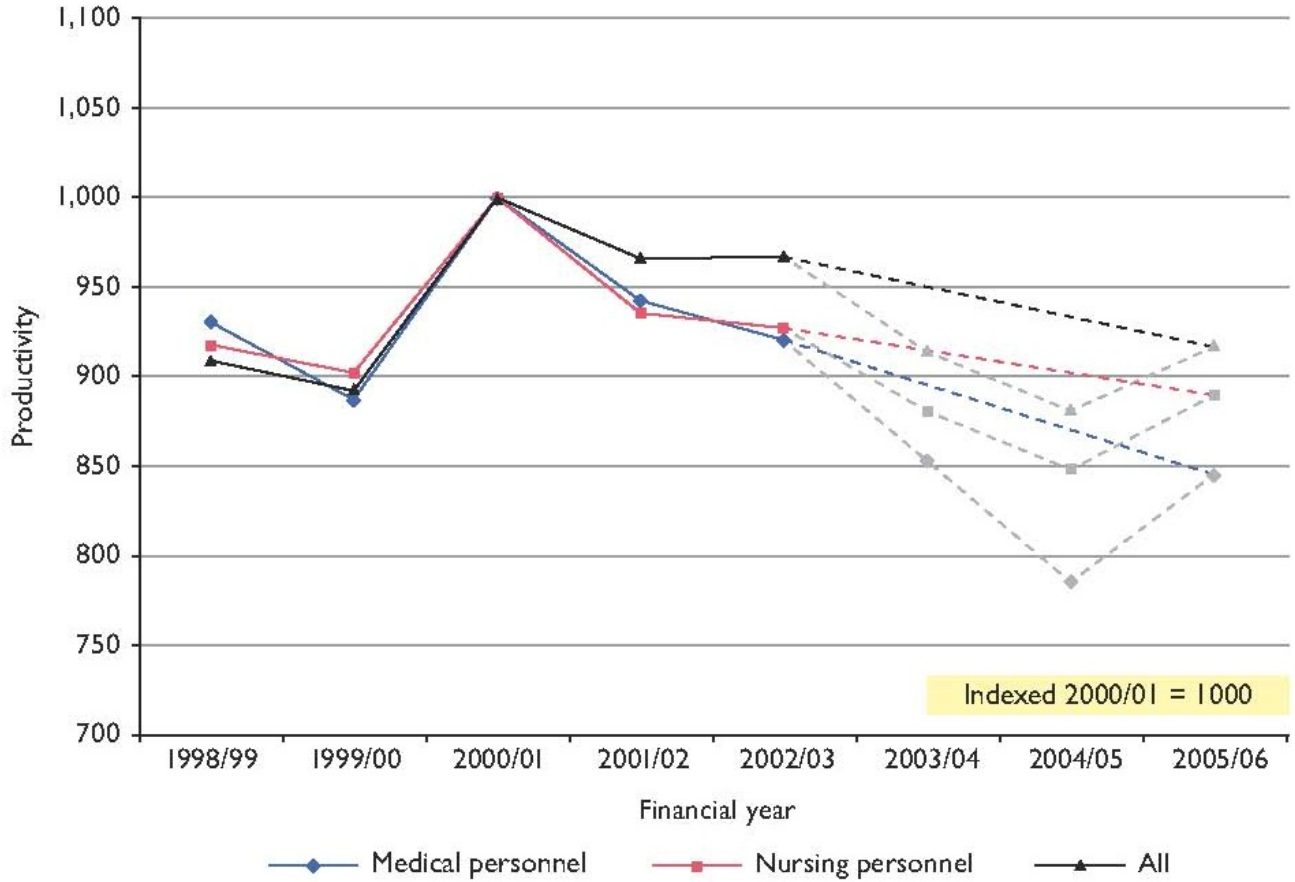
Note. Data refer to permanent and long term movements and settlers arrivals of nurses
Source: Department of Immigration and Multicultural Affairs

The New Zealand Health System in 2009/10

- A health system that faces a doubling of demand over the next decade at a time when the health spend is at or is close to what can be afforded.
- A health system that is “drowning” in data, but, that is largely free of intelligence.

Mani Maniparathy, New Zealand Business Roundtable 2008

Figure 3: Productivity (volume per head) of public hospitals (indexed 2000/01 = 1000), 1998/99 to 2005/06



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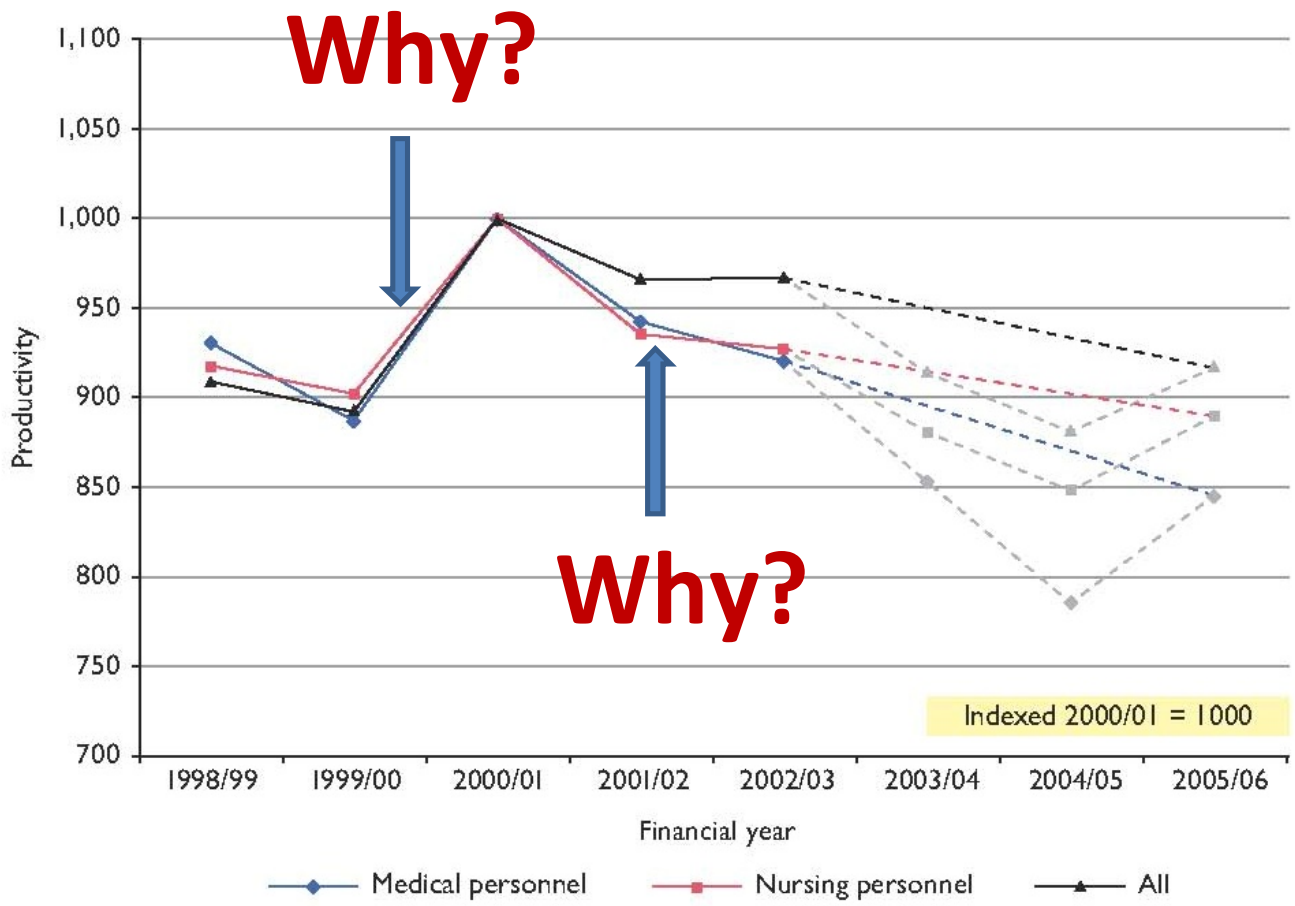
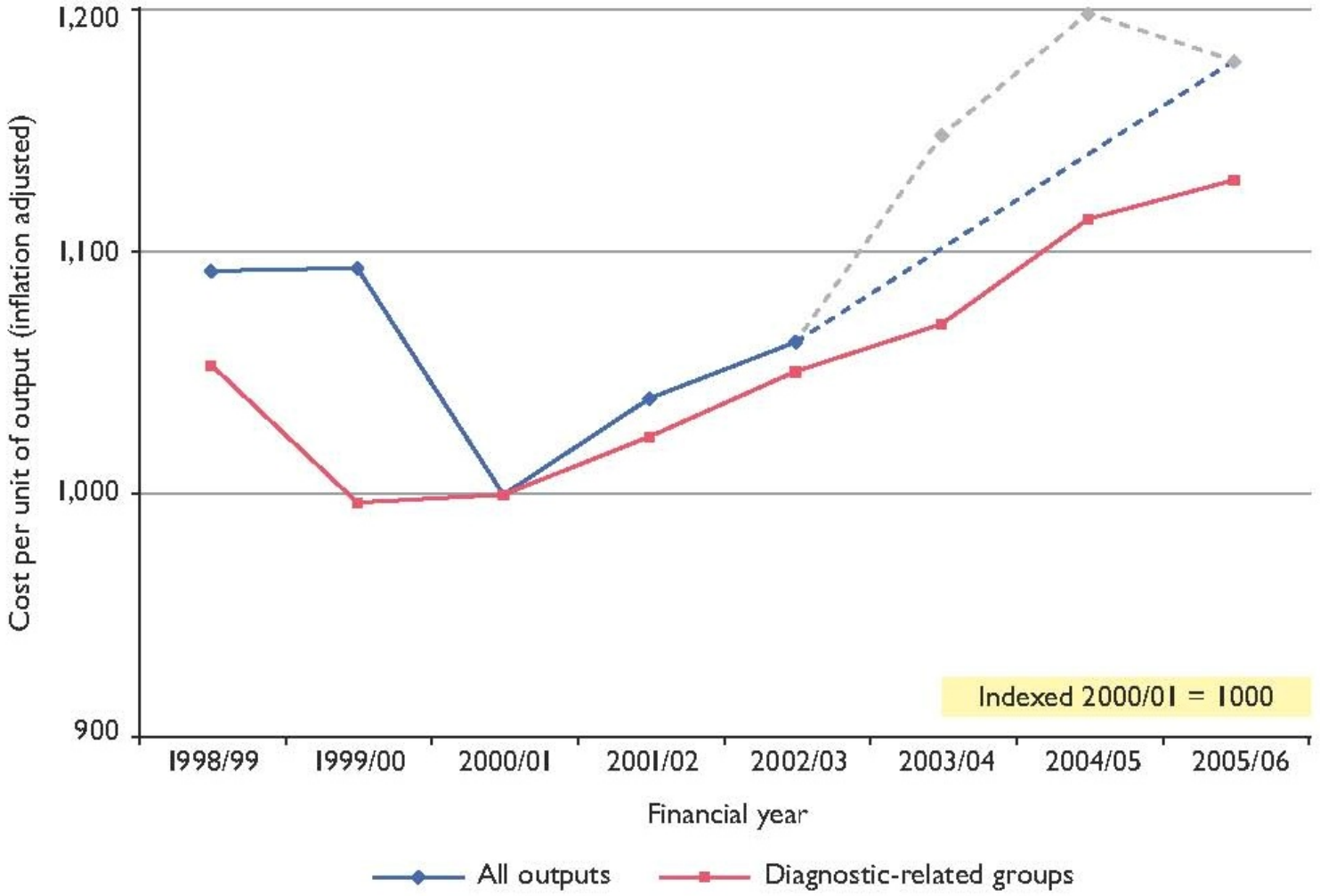


Figure 2: Inflation-adjusted cost per unit of output (indexed 2000/01 = 1000), 1998/99 to 2005/06



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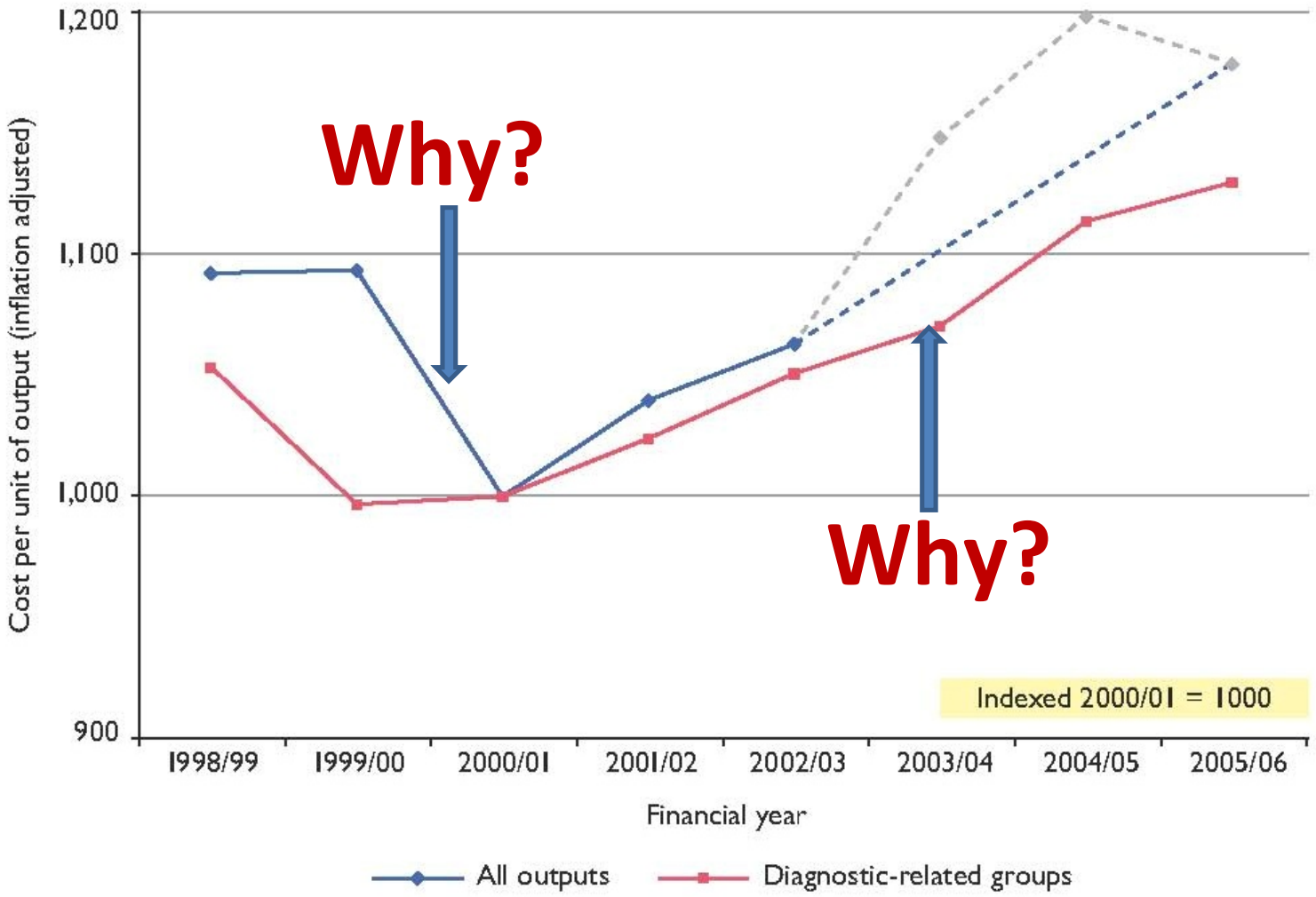
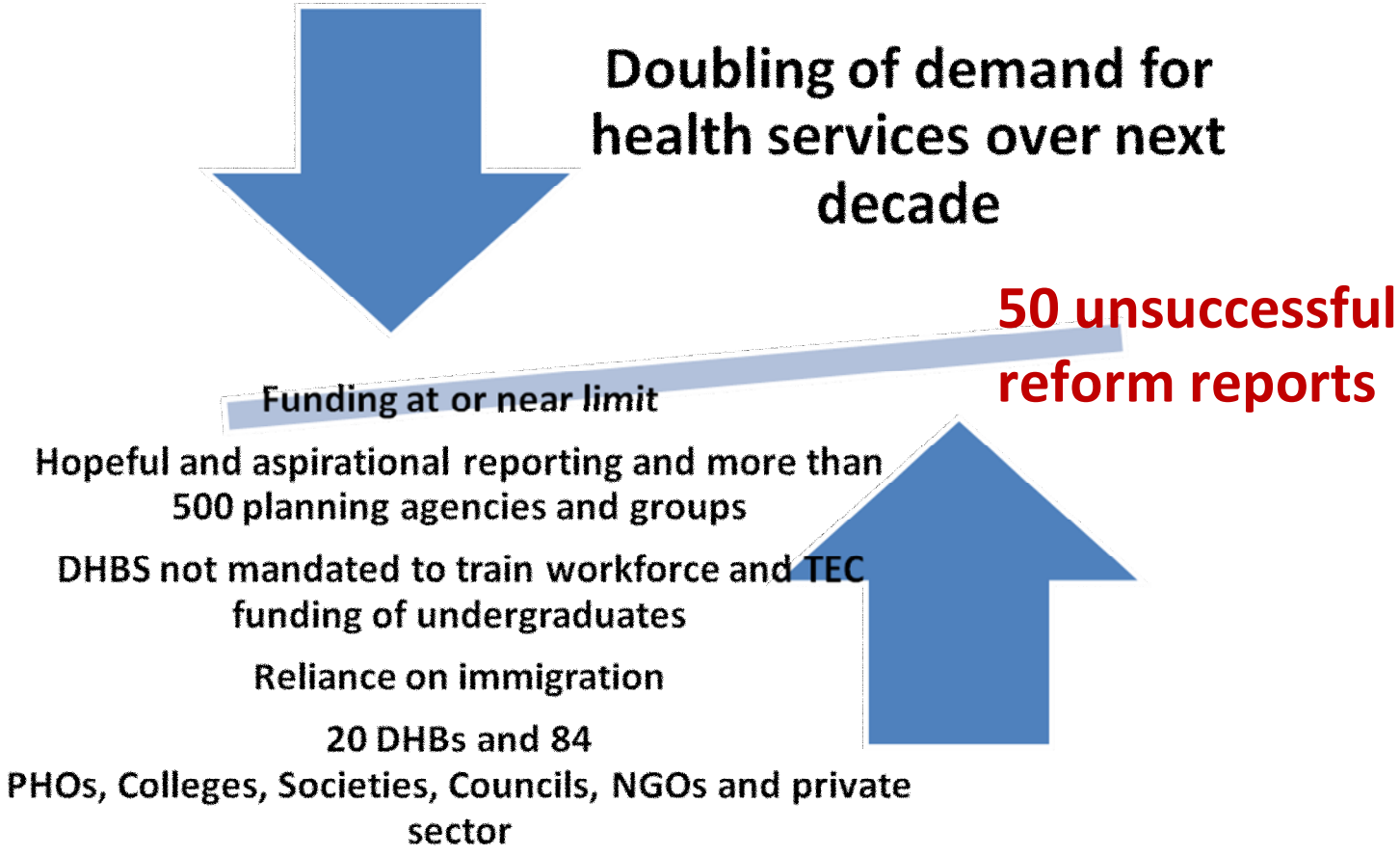


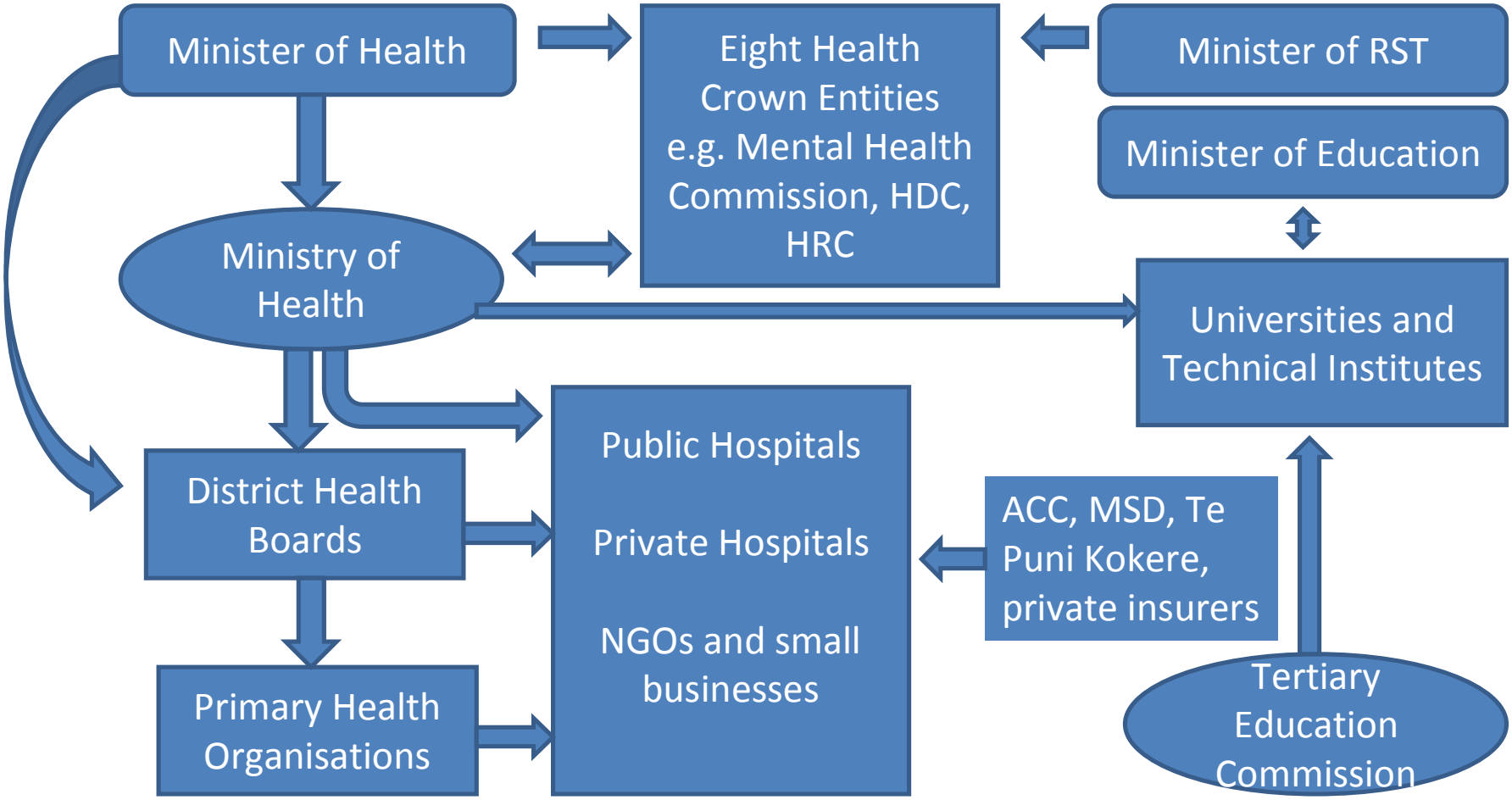
The New Zealand Health System in 2009/10

- A health system that is unable and or unwilling to change despite a strong and uniform stakeholder view that the *status quo* is untenable.

A health system that is unable and or unwilling to change



The New Zealand Health System in 2009/10



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