



Proactive Release

The following documents have been proactively released by the Department of the Prime Minister and Cabinet (DPMC), on behalf of Hon Andrew Little, Minister of Health:

Health and Disability System Reform Briefings February – June 2022

The following documents have been included in this release:

Title of paper: Policy Decisions for Pae Ora Bill Departmental Report: Talking Points

Title of paper: Health Reforms: Quality Functions in the Future System

Title of paper: Progress on Health System Functions Transfer

Title of paper: Health Reforms: Policy Critical Path to Day 1

Title of paper: Health Reforms: Key Policy Decisions and Delegation

Title of paper: Implementing the Intervention Framework for the Reformed Health System

Title of paper: Health Research in the Future System

Title of paper: Progress Update on Public Health Transformation Programme

Title of paper: Pae Ora Legislation Committee Report

Title of paper: Supplementary Order Paper for Pae Ora (Healthy Futures) Bill

Title of paper: Update on the Transfer of Functions from Ministry of Health to New Entities

Title of paper: Appendices to the Interim Government Policy Statement

Title of paper: Health Reforms: Role of Localities in the Reformed System

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant section of the Act that would apply has been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to redaction codes:

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- Section 9(2)(g)(i), to maintain the effective conduct of public affairs through the free and frank expression of opinion; and
- Section 9(2)(h), to maintain legal professional privilege.



Aide-Mémoire

PAE ORA LEGISLATION COMMITTEE REPORT

To	Hon Andrew Little, Minister of Health	Report No	DPMC-2021/22-1899
From	Simon Medcalf	Date	8/04/2022

Purpose

1. This note outlines the significant changes proposed by the Pae Ora Legislation Committee (the Committee) in its report to Parliament, which we understand will be tabled on Tuesday 12 April 2022. We attach a copy of the revised Pae Ora (Healthy Futures) Bill, but do not yet have a copy of the final commentary.
2. We have updated reactive communication lines to reflect the changes to the Bill, and a new copy is attached.
3. We will prepare supporting material for Parliamentary debates over the coming weeks, in anticipation of a second reading debate in the first sitting week of May.

Background

4. The Committee changes to the Bill follow the recommendations in the departmental report, and other departmental advice. The Committee made some additional wording changes, seeking advice from departmental advisors as they did so, but did not change the intent of any provisions.

Comment

5. The most significant changes made in Committee were to the hauora Māori provisions. In particular, the provisions establishing iwi-Māori partnership boards have been extensively changed, following the advice from the Māori Health Authority and Cabinet's subsequent decisions.

Treaty provisions

6. The changes to the Treaty of Waitangi provisions add further references to other parts of the Bill to better reflect the extensive provisions intended to give effect to the Crown's Treaty obligations. The changes do not alter the approach to te Tiriti obligations.

Principles

7. The recommended changes to the principles clarify the intent, but do not change it. Additions have been made to the principles related to choice of services and protection and

promotion of health, based on suggestions from submitters. They make clearer that the health sector should, for example, consider people's mental and physical needs, and that health entities should work broadly across society, as appropriate, to promote health.

Māori Health Authority

8. The Committee has recommended changes to the functions of the Māori Health Authority. These changes reflect submissions and follow the advice in the departmental report. We recommended changes to the functions to more closely match those of Health New Zealand, while keeping the distinct character of the Māori Health Authority – in particular the Authority has a policy role that Health New Zealand does not.

Iwi-Māori partnership boards

9. The provisions for iwi-Māori partnership boards reflect the departmental advice, which in turn was heavily influenced by the advice from the Māori Health Authority following engagement with Māori. The list of functions agreed by Cabinet has been added, most significantly the power to agree (or not) locality plans, and the consequential application of the disputes procedure to disputes involving iwi-Māori partnership boards.
10. There are also extensive recommended changes to the procedure for establishing the boards. These set out a Māori-led, tikanga-based approach to the establishment of boards, with a role for the Māori Health Authority to ensure that the Crown fulfils its obligation to actively protect all Māori. It does this by ensuring the boards are representative of all Māori in their area, and have the capability to fulfil their functions when recognised, and maintain the capability.

Health strategies

11. There was extensive comment from submitters and Committee members on the strategy provisions. Committee members sought assurance that the list of strategies in the Bill was not exhaustive, and comment to that effect in the Committee's report. The changes are the addition of a requirement for a Women's Health Strategy and the requirement for the Ministry of Health and the Māori Health Authority to jointly prepare the Hauora Māori Strategy.

Planning documents

12. These provisions are largely unchanged, but the GPS provisions have been moved to follow the strategy provisions, so that the provisions match the logical flow from strategies to policy expectations. Audit requirements for the New Zealand Health Plan and reports against it have been added, along with an express requirement to specify measurable outcomes, including culturally relevant outcomes.

Localities

13. A requirement has been added that Health New Zealand and the Māori Health Authority consult relevant local authorities and iwi-Māori partnership boards when determining localities. This reflects a consistent view from local authorities in submissions. An addition has also been to clarify requirements for reporting against locality plans, which will be an important mechanism for accountability at the local-level. This is consistent with your decisions on the broader accountability framework.

Health Charter

14. These provisions have been extensively revised in accordance with departmental advice. The Charter will reflect a set of values and principles for the health workforce, agreed by the workforce. Health New Zealand and the Māori Health Authority will be required to facilitate the development of the Charter if necessary, and will be required to report on its implementation and recommendations for improvement, at least once every five years.

Crown Manager

15. Provisions have been added enabling the Minister to appoint a Crown manager, modelled on the relevant part of the Education and Training Act 2020. A Crown manager may only be appointed to Health New Zealand, and is essentially a limited Commissioner, carrying out board functions as determined by the Minister, while the board remains in place.

Hauora Māori Advisory Committee

16. There are extensive recommended changes to the Hauora Māori Advisory Committee. These follow the departmental advice. The Hauora Māori Advisory Committee will be consulted about a range of Ministerial powers, including appointments to the Māori Health Authority. When the Minister has not agreed with the Advisory Committee's advice, the public notification of the power must include a statement to that effect.
17. Appointments to the Advisory Committee will be made by consensus by the iwi-Māori partnership boards (six members) and by Māori organisations with national insight into the needs and aspirations of Māori and particular groups of Māori (two members). The Minister must consult the Minister for Māori Development in determining organisations for the purpose of appointments to the Advisory Committee.
18. In accordance with departmental advice, the Committee recommended the Bill provide for the Minister to appoint an interim Hauora Māori Advisory Committee for two years while processes to recognise iwi-Māori partnership boards and Māori organisations are undertaken.

Other amendments

19. There are a large number of other minor or technical amendments. The transfer provisions in Schedule One, for example, have been the subject of a great deal of work and amendment. The changes ensure that the provisions reflect the policy intent of a seamless transfer in which employees retain their existing terms and conditions.

Alternative views

20. The National and ACT parties have included alternative views in the Committee's report. Both are opposed to the Bill. The grounds of their opposition are ones they have both spoken publicly about already.
21. National objects to the loss of local decision-making with the disestablishment of DHBs, the centralisation of functions, and the establishment of the Māori Health Authority. They also raise concerns about the timing of reform, and the risk of distracting from the Covid-19 response.
22. ACT acknowledges that the current health system is delivering unacceptable outcomes, particularly in mental health and rural health. However, they object to the Māori Health Authority, saying it will create a divided health system.

23. Materials and speeches for future Parliamentary debates, and reactive communications lines, will be developed to respond to the arguments put forward in these reports.

Recommendations

24. It is recommended that you note the contents of this aide-mémoire.



From Simon Medcalf
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Health and Disability Transition Unit

NOTED
To Hon Andrew Little Minister of Health
Date: / /

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