

# Briefing

## Update on the strategic monitoring framework

<b>Date due to MO:</b>	2 April 2024	<b>Action required by:</b>	5 April 2024
<b>Security level:</b>	IN CONFIDENCE	<b>Health Report number:</b>	H2024038271
<b>To:</b>	Hon Dr Shane Reti, Minister of Health		
<b>Copy to:</b>	Hon Matt Doocey, Minister for Mental Health		
<b>Consulted:</b>	Health New Zealand: <input type="checkbox"/> Māori Health Authority: <input type="checkbox"/>		

## Contact for telephone discussion

Name	Position	Telephone
<b>Maree Roberts</b>	Deputy Director-General, Strategy, Policy and Legislation	s 9(2)(a)
<b>Simon Medcalf</b>	Deputy Director-General, Regulation and Monitoring	s 9(2)(a)

## Minister's office to complete:

- |   |                                    |  |
|---|------------------------------------|--|
| <input type="checkbox"/> Approved             | <input type="checkbox"/> Decline   | <input type="checkbox"/> Noted               |
| <input type="checkbox"/> Needs change         | <input type="checkbox"/> Seen      | <input type="checkbox"/> Overtaken by events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |  |

Comment:

# Update on the strategic monitoring framework

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**Security level:** IN CONFIDENCE      **Date:** 28 March 2024

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**To:** Hon Dr Shane Reti, Minister of Health

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**Copy to:** Hon Matt Doocey, Minister for Mental Health

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## Purpose of report

1. This briefing provides an update on the new strategic monitoring framework. It seeks your agreement to include the framework as an appendix to the Government Policy Statement (GPS) and sets out next steps to operationalise the framework.

## Summary

2. As the chief steward of the health system, we (the Ministry of Health, Manatū Hauora) are focused on improving system performance, with the goal of achieving better health outcomes for New Zealanders.
3. Our recent advice on the Government Policy Statement (GPS) [H2024035135 refers] noted that we are developing a strategic monitoring framework to understand system performance and outcomes over the short, medium and longer-term. This advice also sought your in-principle agreement that the system monitoring framework be attached to the GPS as a technical appendix, to which you responded 'maybe'.
4. This briefing provides an update on the process to develop the strategic monitoring framework and associated measures. A copy of the strategic monitoring framework is attached as **Annex 1**.
5. The framework is designed to create a shared understanding of the health system and reflects our short, medium, and longer-term objectives and outcomes. It is structured to have a dual focus on monitoring:
  - **the health system:** health-led actions to protect, promote and improve health and wellbeing (including the provision of health services and public health initiatives)
  - **people, population, and the broader determinants:** health-partnering actions and influence across the broader determinants of health (including across government, non-government organisations, with iwi, Māori and communities, academia and industry, between the public and private sector, amongst others).
6. Our intent is for the framework to be used with a broad range of audiences, including the public. At its highest level, it can be used to explain our strategic objectives and how all the parts of the health system are working together.

7. Measures for the framework are being developed in phases. It will draw from existing monitoring and reporting to understand health system performance in aggregate. This includes health targets and mental health targets, measures of progress against GPS priorities, and gradually evolving to include a wider set of measures that will be split across three layers:
  - outcomes and health trends (why)
  - activities within the health system (what)
  - inputs & enablers into the health system (how).
8. The Prime Minister's letter to you on 4 February 2024 confirmed the scope of the Mental Health portfolio. This includes an expectation that you consult the Minister for Mental Health on the GPS as well as on health system performance, including performance measures that relate to mental health and addiction. We invite both your and the Minister for Mental Health's feedback on the proposed strategic monitoring framework.

## Recommendations

We recommend you:

- a) **Note** that we have developed a new strategic monitoring framework to understand system performance, impacts and outcomes for people, whānau and communities over the short, medium, and longer-term
- b) **Note** that the strategic monitoring framework is designed to be used with a broad range of audiences (including the public), and to have a dual focus on monitoring:
  - **the health system:** health-led actions to protect, promote and improve health and wellbeing
  - **people, population, and the broader determinants:** health-partnering actions and influence of the broader determinants of health
- c) **Note** that measures for the framework are being developed in phases and will include an initial focus on health targets, mental health targets, and GPS priorities
- d) **Note** that the strategic monitoring framework will evolve to include a wider set of measures that support broad analysis across the health system. Measure will be split across three levels:
  - **health trends and outcomes** over time
  - **activities** within the health system
  - **key inputs and enablers** into the health system
- e) **Note** that the framework will draw from, but not replace, existing reporting to form a picture of the health system's progress in achieving our objectives in aggregate

- f) **Provide** feedback on the strategic monitoring framework at Annex 1, incorporating feedback from the Minister for Mental Health as necessary **Yes/No**
- g) **Note** that once we have received and responded to your feedback, we will socialise the framework with health entities
- h) **Indicate** whether you are comfortable to include the strategic monitoring framework as an appendix to the Government Policy Statement to contextualise the GPS priorities and measures within our longer-term aspirations for the health system, and to support a whole-of-system view of performance **Yes/No**
- i) **Note** we will provide further updates on the strategic monitoring framework, and associated measures (including health targets and mental health targets) in April, and through agreed reporting on the GPS.



Dr Diana Sarfati  
**Director-General of Health**  
**Te Tumu Whakarae mō te Hauora**  
Date: 01 April 2024

Hon Dr Shane Reti  
**Minister of Health**  
Date:

# Update on the strategic monitoring framework

## Context

9. There are many examples of excellence across our health system and, overall, New Zealanders are in good health. However, as our population grows and changes there are significant implications for both the health system and health outcomes. Managing demand and supporting people to live independently for longer is critical to ensuring that our system is sustainable.
10. You are setting clear expectations and tangible objectives for the health system for the next three years through the Government Policy Statement (GPS), in pursuit of your long-term vision for health of longer life expectancy and improved quality of life.
11. As the chief steward of the health system the Ministry of Health is focused on improving system performance by developing a clear and coherent approach to monitoring. Currently, performance is monitored through several different mechanisms; meaning it can be difficult to provide a system-wide view of performance. To address this, we have developed a strategic monitoring framework to understand system performance, impacts and outcomes over the short, medium, and longer-term, as detailed below.
12. We recommend attaching the monitoring framework as an appendix to the Government Policy Statement when it is published in June to contextualise the GPS priorities and measures within our longer-term aspirations for the health system, and to support a whole-of-system view of performance.
13. A copy of the strategic monitoring framework is attached to this paper as **Annex 1**.

## The strategic monitoring framework provides a whole-of-system view of health

14. The framework has been designed to have a dual focus on monitoring:
  - **health-led actions** to protect, promote and improve health and wellbeing (including the provision of health services and public health initiatives)
  - **health-partnering actions** on the wider determinants of health and wellbeing (across government, non-government organisations, with iwi, Māori and communities, academia and industry, between the public and private sector, amongst others).
15. An overview of the different layers of the framework are set out below in Table 1. We expect to refine some of the detail within the framework over the coming weeks as we socialise more widely and receive feedback.

**Table 1:** The strategic monitoring framework is structured across **two domains** (people and population, and health system) and across **three layers** (outcomes, activities and inputs and enablers)

<b>Overarching goal</b>		
Longer healthy life expectancy and improved quality of life		
<b>Population outcomes</b>		
Improved mortality rates, equity, and healthy ageing		
	<b>Domain 1: People &amp; population</b>	<b>Domain 2: Health System</b>
<b>1. Outcomes (why)</b>	<b>Longer-term</b> improved trends in non-communicable diseases (NCDs) such as heart disease, respiratory disease, diabetes, poor mental health and cancer	<b>Longer-term</b> focus on a sustainable & resilient health system, including infrastructure, with a right size, right skilled workforce, and that places people at the centre
<b>2. Activities (what)</b>	Promoting good health and wellbeing from the earliest opportunity & throughout the lifecourse  <b>Three-year focus</b> on, for example, improved coverage of childhood immunisations and action on modifiable risk factors	A health system that provides promotive, protective, preventive, curative, rehabilitative, and palliative services throughout the life course.  <b>Three-year focus</b> on improving access, timeliness, quality, effectiveness and person-centred health services
<b>3. Inputs &amp; enablers (how)</b>	Action and partnering to tangibly influence the broad determinants of health, including housing and income, employment and education, physical environments and social connection and culture	Drivers for the health system, including leadership and governance, resources and investment, workforce and infrastructure

### The framework is designed to be used with a broad range of audiences

16. At its highest level, the monitoring framework can be used to clearly articulate the outcome we're working towards, and to enable whole-of-system monitoring. The framework can also be used to:

- drive accountability through short-term, more focused objectives
- evaluate where improvements have occurred over time
- look to the future, for example with trend projections
- identify areas of risk or opportunity.

17. The framework will inform our approach to analysis and monitoring by including a range of balancing and contextual measures in relation to any given priority or target. Where possible, we will select measures to allow for comparison and benchmarking, and to support deeper analysis of variation between places and groups. This will be key to helping us mitigate the risks of gaming and undue focus on individual measures.
18. The framework is intended to cover all actors and activities within the publicly funded sector. We also intend to explore how to expand the framework to include the private sector over time.

### Upholding Te Tiriti o Waitangi

19. The framework is founded on a commitment to upholding Te Tiriti o Waitangi and enacting the health system's obligations to Māori. The principles in section 7 of the Pae Ora (Healthy Futures) Act 2022 (which incorporate the key outcomes of Te Tiriti principles as articulated by the courts and the Waitangi Tribunal) apply to the wider health system as a whole and will guide the development of the outcomes and associated measures for the framework.

### Developing measures for the monitoring framework

20. As noted in our recent advice on the Government Policy Statement (GPS) [H2024035135 refers], we are developing measures for the strategic monitoring framework in three phases.
21. **Phase one (now):** Health targets for the health system have been agreed and communicated to health entities. Health and mental health targets will be reflected in the strategic monitoring framework.
22. **Phase two (now to April 2024):** We are currently developing a core set of approximately 40 to 50 measures to reflect progress against your GPS priorities, against which delivery of the GPS will be assessed. We anticipate these measures will include a mix of qualitative (including narrative reporting and milestone deliverables) and quantitative measures, to capture incremental progress that might not be obvious with quantitative measures. Draft measures are currently being tested through targeted engagement on the draft GPS with health entities and agencies. We will update you on this process in our next advice on the GPS.
23. **Phase three (now to tbc):** The strategic monitoring framework will evolve to include a wider set of measures that support broad analysis across the health system. This includes, for example:
  - health trends and outcomes over time (including focus on cardiovascular disease, respiratory disease, diabetes, mental health and cancer)
  - activities within the health system (including health and mental health targets, priorities, with actions to address modifiable risk factors like smoking, alcohol consumption, nutrition, exercise, and social interaction)
  - key inputs and enablers into the health system (such as leadership and governance, resources and investment, workforce and infrastructure).

## The framework will draw from existing reporting to form a picture of the health system's progress towards achieving our objectives

24. Progress against GPS measures and performance expectations, as agreed in accountability documents such as New Zealand Health Plan, Statements of Intent and Statements of Performance Expectations, will be monitored on a regular basis by the Ministry of Health, with further actions taken as necessary to respond to any issues that are identified.
25. Over the shorter and medium term, we expect to see:
  - progress against achieving health and mental health targets (such as improved coverage of childhood immunisations, reduced wait times to access treatment within EDs, cancer services, elective treatment, specialist assessments, and in primary and specialist mental health and addiction services)
  - health entities delivering commitments to agreed standards, within budget and on time
  - increased efforts to build the capacity and capability of the health workforce with long term health workforce planning and pipelines
  - improved long term infrastructure planning.
26. We expect supporting monitoring frameworks for constituent elements to continue. These monitoring 'modules' will fit within the umbrella of this overarching strategic monitoring approach. For example, the framework will draw from existing monitoring of Crown Entities (through the Crown Entity Monitoring framework), Māori health outcomes (through Pae Tū, the Hauora Māori Strategy and Whakamaua), and for Pacific Health (through Te Mana Ola, the Pacific Health Strategy) and monitoring of outcomes for other priority populations such as disabled people, rural people, women, and Mental Health and Addiction (amongst others)<sup>1</sup>.
27. We also expect alignment between this framework and Health New Zealand, Te Whatu Ora's internal performance framework. While both frameworks will include some consistent issues and measures, each will include specifics of focus for their respective roles.
28. Additional measures to track performance will be included from documents such as the New Zealand Health Plan and Vote Health estimates, amongst other measures (such as those used by the Health Quality & Safety Commission).

## Roles and responsibilities

*Much of the operational reporting on measures will be led by Health New Zealand, Te Whatu Ora*

29. Much of the operational reporting on these measures will be led by Health New Zealand, Te Whatu Ora, with the Ministry of Health and other entities retaining an important role in assessing progress and providing insights on overall system performance.

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<sup>1</sup> Additional reporting includes, for example, the New Zealand Health Survey, the Health and Independence Report, Kia Manawanui Aotearoa – Long-term pathway to mental wellbeing, amongst others



30. Within health Crown entities, measures and operational performance will be monitored through internal health entity monitoring frameworks and governance processes. These are reported at monthly, quarterly, annual or biannual periods; and at national, regional and district levels as appropriate. These regular reports are supported by statutory annual reports and will include our priorities, objectives and expectations at entity-level and sector-level.
31. Additionally, health entities will report directly to their Boards and internal governance and management arrangements, and these will be shared with the Ministry of Health in its role as the lead monitor for the health sector, as agreed.
32. Across all reporting, where possible, measures will be disaggregated by demographic characteristics including age, ethnicity, gender and geographic location as appropriate, and as data sources allow. While we will initially build on the data available today, over the next three years we will strive to address data gaps and create new measures to comprehensive picture of performance. We also aim for all relevant measures to be disaggregated for a wider range of appropriate groups, including disability and rurality, over time.

*The Ministry of Health, health entities and other agencies have different roles to monitor progress across the health system*

33. As chief steward of the health system the Ministry of Health has an important role in monitoring the performance and outcomes achieved by our health system. This includes monitoring and public reporting on health system performance and outcomes for Māori. We expect the framework to support our strategic monitoring of the health system and reporting to you about system-level risks and opportunities. This will be supplementary to our existing reporting on Crown entities.
34. Crown entity Boards are responsible for decisions relating to the operation of entities. The Health New Zealand Board is the primary monitor of health services provided or commissioned by Health New Zealand and the associated delivery of most outputs.
35. Iwi Māori Partnership Boards (IMPBs) have a role to monitor the performance of the health sector in their communities and to evaluate how well things are working for Māori, how they can be improved and what needs to change, including by determining local priorities for hauora Māori. Over the next three years, IMPBs will be facilitated to play an important role in ensuring that health services are working at the local level in support of better outcomes for whānau and communities. Health New Zealand is responsible for supporting and engaging with IMPBs to determine investment priorities.
36. The Hauora Māori Advisory Committee (HMAC) also has a role to provide independent advice to you as the Minister of Health on how well the health system is performing for Māori, working alongside the Ministry of Health in overseeing system-wide performance, and providing advice as to how the health system can improve Māori health outcomes. This complements the role of IMPBs.

## **Risks and issues**

37. Finalising the strategic monitoring framework is an important step in forming a complete view of system performance and in providing leadership across the health system.

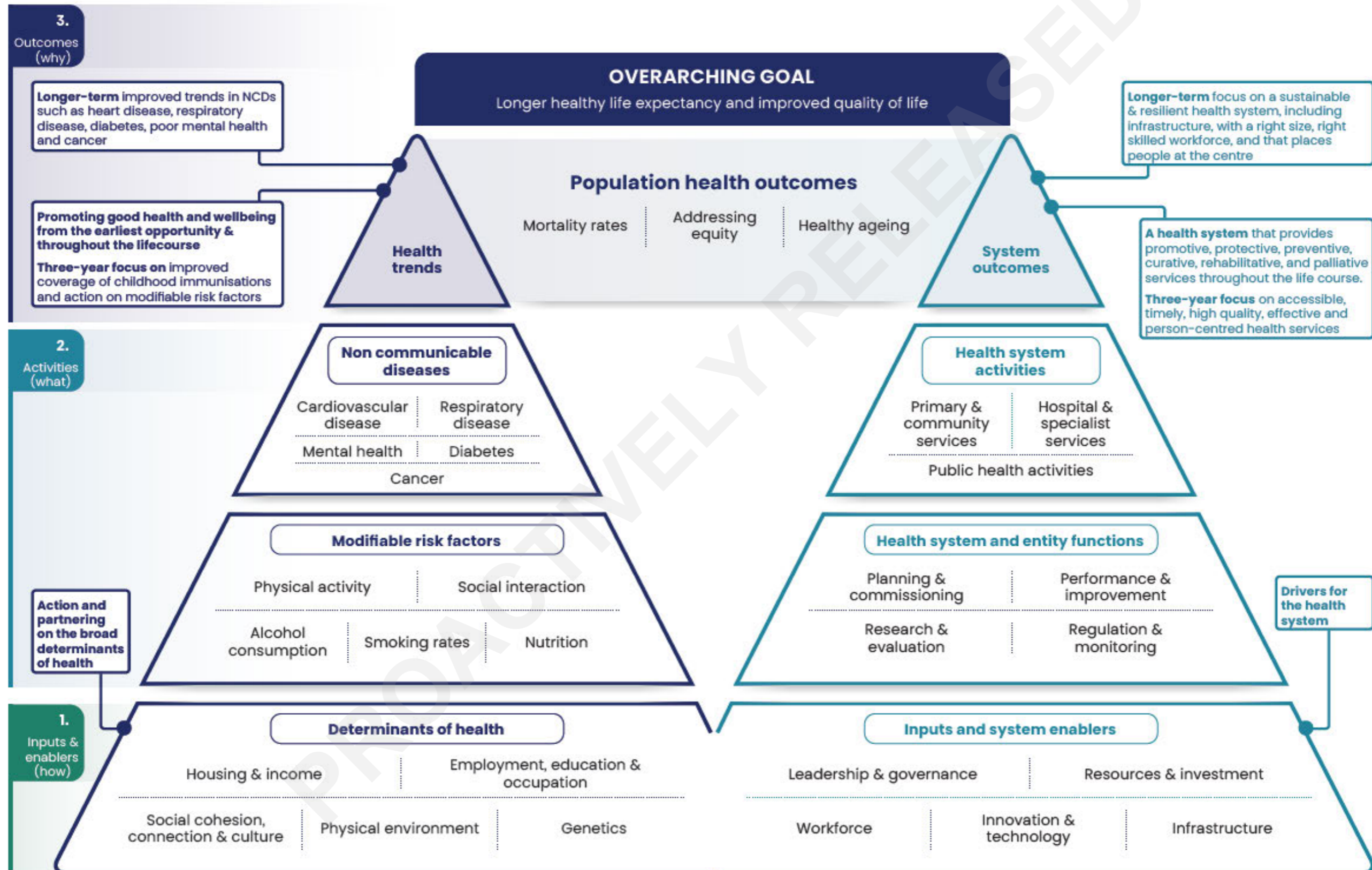
## **Next steps**

38. Subject to your agreement, our aim is for the framework to be included in the Government Policy Statement (GPS) when it is published in June 2024. We recommend this approach to link the GPS priorities and measures to our longer-term aspirations for the health system, and to support a whole-of-system view of performance.
39. As noted above, there is an expectation that you consult the Minister for Mental Health on the GPS and system performance in relation to mental health and addiction. We welcome your, and the Minister for Mental Health's, feedback on the monitoring framework and the associated process to develop measures. Once we have received and responded to your feedback, we will socialise the framework with health entities.
40. Work to develop measures for the framework is ongoing as per the phasing noted above. This includes measures that meaningfully reflect progress against GPS priorities and have a clear logic. We will provide further updates on the strategic monitoring framework, and associated measures (including health and mental health targets) in April, and through agreed reporting on the GPS.

**ENDS**

PROACTIVELY RELEASED

# Draft monitoring framework



## Minister's Note

PROACTIVELY RELEASED