

10 April 2019

Ref: H201900987

### Response to your request for official information

I refer to your request of 28 February 2019 under the Official Information Act 1982 (the Act) for:

1. *Any information held by the Ministry of Health regarding the adequacy of the DSS budget and/or the financial position of NASCs since January 1, 2018.*
2. *Any written correspondence, either electronic or in hard copy, between Ministry of Health officials and NASCs since January 1, 2018 directing, encouraging or requesting NASCs to reduce or otherwise amend individual packages, make percentage savings across client groups or delay decisions about allocations.*
3. *Any notes of meetings, phone calls or other verbal correspondence between Ministry of Health officials and NASCs since January 1, 2018 directing, encouraging or requesting NASCs to reduce or otherwise amend individual packages, make percentage savings across client groups or delay decisions about allocations.*
4. *Any written correspondence since January 1, 2018 between NASCs and service providers concerning reductions in funding allocations for individuals or groups of individuals.*
5. *Any written correspondence from the Ministry to NASCs since January 1, 2018 regarding budgets and expenditure related to DSS clients.*
6. *Any notes of meetings, phone calls or other verbal correspondence between NASCs and service providers since January 1, 2018 concerning reductions in funding allocations for individuals or groups of individuals*

I note on 21 March 2019 you had a conversation with Toni Atkinson in which you agreed to refine the time frame of your request to begin at 1 January 2019.

Of the six questions you have outlined in your request, three have been refused under section 18(e) of the Act, as the document alleged to contain the information requested does not exist. The questions are one, four, and five.

Regarding questions two, three and six, the documents covered by your request are itemised in Appendix 1, along with my decision in respect of each.

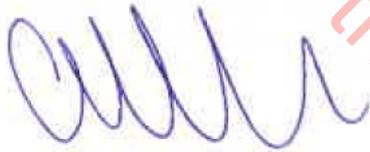
To provide some context, early this year DSS was aware of a likely forecast overspend against its appropriation and undertook to identify areas where potential savings could be made within the current financial year. The Ministry requested NASCs to identify areas where we could reduce expenditure. The released documents are in response to that request. Following further analysis of the responses and the likely impact of these, the decision was made not to go ahead.

You may also be aware that the Government has committed to undertaking a wide-ranging review of New Zealand's health and disability system. The Review will identify opportunities to improve the performance, structure and sustainability of the system with a goal of achieving equity of outcomes, and contributing to wellness for all. You may wish to share your views with the Review via its website [www.systemreview.health.govt.nz](http://www.systemreview.health.govt.nz).

I trust this information fulfils your request. You have the right, under section 28 of the Act, to ask the Ombudsman to review my response to your request for information.

Please note this response (with your personal details removed) may be published on the Ministry's website.

Yours sincerely



Adri Isbister  
**Deputy Director-General  
Disability**

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## Appendix 1

Item	Document title	Decision on release
1	All NASC Submissions (collated).	Partially withheld under sections 9(2)(a), and 9(2)(b)(ii) of the Act.
2	Emails between MOH and NASC's.	Partially withheld under section 9(2)(a) of the Act.
3	NASC Discussion Feb1 - notes including prior NASCA discussion	Released in full.
4	NASC national approach 20190227 draft2send	Released in full.
5	NASC discussion 1 Feb Minutes	Released in full.

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## Realignment 2019 Collation of response's from NASC

NorthAble

### Strategies for Budget Realignment

Goal – NorthAble NASC is currently forecasting to overspend by \$1.12M on it's annual DSS service budget. Ministry have instructed NorthAble NASC to develop strategies to reduce it's current spend on services by \$1M in annualized cost of services. NorthAble proposes the following strategies, each one includes the strategy, the overall impact (clients affected, total cost etc), resource required to successfully implement, and potential risks.

In order for these strategies to be successful with minimum negative impact on NASC it is imperative that communication comes from Ministry of Health informing clients and providers that strategies are required due to the current national situation. NASC will then follow up on this with the following strategies:

Strategy	Reduction in Carer Support Allocations relative to the current allocation in place: Allocations of 21 – 28 days per year to be reduced by 1 day per year Allocations of 30 days or more to be reduced by 2 days per year
Impact	491 clients currently have 21 – 28 days allocated, 247 have 30 days or more Potential Savings = \$74,860pa
Implementation Plan	Send a letter to all clients receiving Carer Support stating that all allocations will be reduced as described above. Invite people to contact NASC if there are changes in their circumstance we are unaware of. Complete Data entry to change allocations.
Resource Required	Staff time to identify clients and send out letter Staff time – to complete Data Entry Exercise. Socrates data entry for this sort of change takes 5-10min per entry (unless MoH could do Background Data change) approx. 90 hours admin time
Risk	Some people will be fully utilizing their current Carer Support Allocation, so will see this as a reduction in services and may complain. Individual impact is low though and distributed equally amongst all users.

Strategy	Cease previously 'Grandparented' Day Programme funding for two Northland Providers – [REDACTED] and [REDACTED]
Impact	28 clients currently attend [REDACTED] for between 2 and 10 half days per week – mostly in the older age group Total Cost per year: \$246,823.04
Implementation Plan	A letter was sent to these providers in 2012 informing them that MoH was no longer funding Day Activity programmes and that existing clients would be treated as 'Grandparented'. Since then no new clients have been funded by

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	<p>NASC. Many of the clients who attend these services are in full-time residential care. Suggest two approaches to Implementation:            Send a letter to the provider, residential services, and clients informing them that all previously 'grandparented' funding for these day programmes will now cease.            For clients in community follow the letter up with a phone call to discuss MSD funded options in the area (which are available)</p>
Resource Required	<p>Letter – communication to providers should be from the ministry            Staff time for phone calls to community clients and data entry – approx. 30mins per client (9 hours Service Facilitator time)</p>
Risk	<p>Clients who are in [REDACTED] residential (about 10 clients) – it is possible that [REDACTED] will then request additional Day Activity Funding to support the client. This population is older and would not necessarily require vocational funding.            Impact on provider for currently funded programme of loss of the funding.</p>

Strategy	<p>Reduce Existing Household Management Allocations to Maximum of 10 hours per week (Non-IF and IF)</p>
Impact	<p>48 clients currently have household management allocations in excess of 10 hours per week – these allocations range from 10.5 hours per week to 23 hours per week. There are up to 9074 hours per year of HM allocated in excess of 10 hours/week/client.            HCSS rates differ between providers so hard to ascertain actual cost but approximate determined using an average rate = \$292,174.22pa</p>
Implementation Plan	<p>Letter sent out to HCSS providers informing them of change. Phone call made to affected clients.</p>
Resource Required	<p>Staff resource for Phone call and data entry to be completed outside of standard review time – approx. 30min per client (24 hours Service Facilitator time)</p>
Risk	<p>Possibility that reducing HM allocation would jeopardise community placement – NASC staff to review report of clients affected prior to strategy being implemented, if change would result in need for residential it will not be implemented for that client.            Negative reaction from clients affected. Will need support from MoH should complaints come through. Proposed allocation of 10 hours per week should be enough to ensure essential HM completed.</p>

Strategy	<p>Remove hours allocated to 'Coordination' under Supported Independent Living</p>
Impact	<p>Nil impact to clients – SIL provider has been incorrectly funded Coordination hours in addition to their SIL support hours. For NorthAble this is 27 hours per week across clients allocated to [REDACTED] SIL (other SIL providers not affected).            Impact = \$49252.32pa</p>
Implementation Plan	<p>Data entry to remove this allocation and issue new SA to provider along with a message regarding coordination support being built in to SIL rate – additional reminder from CRM at MoH would support in this.</p>
Resource Required	<p>Data entry for affected clients – approx. 20 – 3 hours admin time.</p>
Risk	<p>Provider dissatisfaction</p>

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Strategy	Correct current Funding Rates for ██████████ Residential
Impact	NorthAble has completed an exercise checking current funding rates within ██████ residential against the Kimberly TPM – we have confirmed that this is the funding method utilized by Taikura Trust and the provider is aware of it. Based on this exercise NorthAble appear to be over-funding ██████ by \$192,154.20pa This should have nil impact on the clients supported by ██████.
Implementation Plan	██████ have previously raised queries regarding current funding rates with NorthAble. Following this they were informed that NorthAble would be confirming funding methodology and would confirm all rates. Implementation would be to communicate to ██████ that this has been completed, and then re-issue SA's for all clients.
Resource Required	Data entry time for re-entering residential packages for 23 clients - approx 15min per client – 6 hours admin time
Risk	Possible dissatisfaction from provider although advance notice of this change has been given by NASC.

## Running Total for \$ impact of Strategies

Strategy	\$
Carer Support	\$74,860pa
Day Programme	\$246,823.04
Household Management	\$292,174.22
SIL Coordination	\$49,252.32
TRT Residential	\$192,154.20

Total	\$855,263.78

Taikura

Subject: Allocation Strategy - **DRAFT**  
From: Marlon Hepi, GMSD/BD  
To: MOH  
Date: 8<sup>th</sup> February 2019

...**taikuratr**ust

### **Purpose**

This document is a DRAFT **thinking paper** provided to support further discussion between NTK NASC and MOH related to the DSS financial sustainability plan.

Critical to moving forward is the availability of data and information to analyse where potential strategies may exist; and a system to access information ongoing to measure the impact of approved strategies.

### **Background**

MOH held a teleconference 1<sup>st</sup> Feb 2019 with all MOH NASC. The teleconference was to highlight the following issues/key points:

- MOH re-prioritised of DSS focus – Budget Management
- Target for all NASC is reduction \$10m by end of financial year (June 2019)
- Forecast deficit of \$90m nationally (\$10m target NASC contribution)
- Residential and Community, MOH acknowledge biggest impact NASC likely to make initially, is in the community area.

### **Budget performance to date**

The Quarterly Reports provided by the MOH to NASCs indicate different perspectives on NASC budget management performance. (Reference Quarterly

Report 31 Oct 18; Quarterly Report YY; Quarterly Report ZZ). From the MOH Allocation Benchmarking Report Oct 2018, we note:

- NTK budget in combined Residential and Community services is **2<sup>nd</sup> lowest NASC** (out of 15) allocated cost (largest NASC, smallest average allocation by client).
- Of the 1800+ Residential clients, 43 (0.02%) clients are above the high MOH IRP threshold of \$165k.
- Low level of SPA

We note that the target for NTK is XXX; which is XX% of the overall national target.

### **Data and information**

To contribute to the financial sustainability plan target set for NTK within the timeframe set, access to accurate and current information will be critical to plan and assess potential strategies, and to measure the impact of approved strategies in as close to real time as possible. There are limitations from the current system and investment is needed to improve the usability of information for NASCs contributing to the financial sustainability plan. We would like to discuss how a Data Analytics resource can be available.

### **Strategies**

We recognise the importance of the DSS financial sustainability plan; and of the importance that people receiving support continue to be safe and appropriately supported. We note there is the immediate target by the end of June 2019; then mid and long-term targets over future years.

The Enabling Good Lives principles of choice, flexibility and control remain central to the engagement with people who receive support and those who enter the system. People must agree with changes to their supports. Although the focus of the plan is on financial sustainability, we encourage the MOH not to ignore this opportunity to recommend changes to the system that could contribute to a positive balance of these objectives. For example, enabling the system to record **multi-year support plans** has the potential to achieve a greater overall reduction, by involving people to take a longer-term view of how the outcomes they want from their supports.

Internally the opportunities for impacting budget performance in the timeframe specified include:

- Targeted reviews of support plans over SPA
- Consideration of maximum allocations in specific services lines under certain conditions
- Measuring movement towards an overall average % reduction by individual/total NASC budget

Details on the specific actions are included in the table below. To enable this work, resources will be repurposed where appropriate and where possible. For example:

- Varying the methods for contract activities, specifically face to face assessment and review, to free up resource for intensive review work.
- Deferring system-generated activities deemed low value to peoples' outcomes and the financial sustainability plan objectives.
- Changing internal moderation and decision-making processes and freeing up resource to oversee these.
- Adding resource where necessary. A priority is increasing access to useful data and information to support decision making.

### **Next steps**

The priority to commence detailed planning and implementation is access to useful data/information.

We plan to engage with other NASCs over the next 2-3 weeks to gain a wider view of initiatives from other teams.

We will connect through NASCA for any support or activity that will influence the plan from a national perspective.

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No.	Strategy	Description	Type	Client #	Current Alloc Cost	MOH Comms?	MOH Resource															
1.	Manager Approval	All change increase under \$95k will require management approval. This is 90% of community clients that are under the Socrates threshold.	Existing	Unknown	Unknown	No	No															
2.	Not allocating to BSS under 5yrs.	No ref for under 5 unless medical fragile.	New	134 (last 6mths)	\$1m	Yes	Yes															
3.	Phone Review high community cost clients	Clients receiving annual cost between \$70 – 94k. These clients are under the NNR \$95k threshold and are not scrutinised/reviewed at high level.	Existing	168	\$13m	Yes	Yes															
4.	Focusing on clients over and under the SPA limit.	A re-alignment within SPA levels would be applied.	Existing	2097	Unknown	Yes	Yes															
5.	Develop a Quantity Matrix for the top 4 community cost services.	A Matrix mapped against the 5 levels SPA on quantity allocation. To be applied for new clients.	New	<table border="1" style="font-size: 0.8em;"> <thead> <tr> <th>Row Labels</th> <th>Client#</th> <th>Alloc Cost</th> </tr> </thead> <tbody> <tr> <td>Young Persons Carer Support</td> <td>6026</td> <td>\$13,815,584</td> </tr> <tr> <td>YP Household Management</td> <td>721</td> <td>\$5,207,643</td> </tr> <tr> <td>YP SIL L1</td> <td>280</td> <td>\$5,023,730</td> </tr> <tr> <td>YP Personal Care</td> <td>219</td> <td>\$4,424,798</td> </tr> </tbody> </table>	Row Labels	Client#	Alloc Cost	Young Persons Carer Support	6026	\$13,815,584	YP Household Management	721	\$5,207,643	YP SIL L1	280	\$5,023,730	YP Personal Care	219	\$4,424,798	Unknown	No	No
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6.	Realignment of underutilisation CS/HM/PC.	Review clients who demonstrate underutilisation of allocation.	Existing	Unknown	Unknown	Yes	Yes															
7.	SIL: Setup and Review Practice Alignment	Confirm and realign if appropriate setup/review	Existing	280	Unknown	Yes – Provider Only	Yes															

DSL

- Any proposed increases to any service will be peer reviewed and authorised or declined by Manager
- All packages of over 165K will be manually reviewed three monthly, including those approved under IRP for twelve months
  - Any referrals to residential will be peer reviewed and waitlisted as per priority of need, those needing to be waitlisted will be reviewed by community team to mitigate risk and ensure essential needs are met.
- All residential packages of 20 hrs or less per week ICAREd will be reviewed to consider SIL and or community supports
- All community clients requiring personal care and are continent will have a maximum of three hours per week
- A budget spreadsheet is actioned, for all increases and decreases.
- Only those clients who are presenting with very high risk will be referred to Explore for the next three months.

Phil can I ask if we can receive a report identifying all client receiving PC and HH non IF by – we are having difficulty in getting this off socrates

- Name and NHI
- Package allocation
- coordinator

A couple of points were raised by the team this morning. On our TPM we have to choose a car/van not optional regardless of if a car/van is not allocated to this home. There are many providers sharing vehicles amongst up to several houses. This increases the funding significantly. Is there a way around this?

The second is a query. For some residential providers is the MoH allocating extra funding outside of the service authorisation?

## Support Net

We would look to make savings using the following approaches:

- 1 Target high and very high SPA 'community' clients with an aim to making reductions in funding allocations within this group quickly where possible.
- 2 Reduce funding allocation of all community packages on review by an average of 75%. Staff will be required to reduce allocations within their caseloads by a particular percentage overall. This does not mean every case is reduced, but overall, the funding allocation across the NASC is reduced by a particular percentage.
- 3 Potentially cap allocations for clients with a Level one ASD diagnosis and make a standard allocation. For example this could be an amount of carer support days or a similar dollar amount. Many of these clients currently receive packages including carer support, IF and / or IF respite or EIF.
- 4 We will not undertake early reviews that are requested for an increase in services where there is no significant increase in need.

Note: There will be some impact on resources, mostly in our admin area and some additional funding to assist with this would be appreciate

## NASC Hawkes Bay

### PLAN NASC HAWKE'S BAY FEBRUARY 2019

<b>Residential</b>	<ol style="list-style-type: none"><li>1. Robust review of [REDACTED] clients house by house to reassess support hours</li><li>2. Review of clients transitioned from child rate to adult rate to ascertain accuracy of allocated hours</li><li>3. Vigorous use of ICare tool</li></ol>
<b>Community</b>	<ol style="list-style-type: none"><li>1. Priority reviews of all HM allocations over 3 hours per week</li><li>2. Review all allocations of HM and respite hours at each reassessment</li></ol>

	<ol style="list-style-type: none"> <li>3. Explore in more depth natural and community supports available to families at point of assessment/reassessment</li> <li>4. Reminder to explore 'Like in Age and Interest' where appropriate</li> </ol>
<b>General</b>	<ol style="list-style-type: none"> <li>1. Reinforce allocation is for disability needs only – address/educate other agencies' expectations v reality</li> <li>2. Reinforce allocation is for essential disability needs</li> <li>3. Vigorous monitoring of all BSS requests prior to sending referral</li> <li>4. Reinforce use of SPA and allocate within appropriate levels</li> <li>5. Reinforce standardised, objective approach from all staff: all saying the same thing</li> <li>6. Manager to meet with CDS and CAFS leadership to explore available options for clients</li> </ol>
<b>Resources required</b>	<ol style="list-style-type: none"> <li>1. Increased visits from NRR to assist in giving clear message to providers</li> </ol>

## **1) Potential immediate savings in our NASC budget**

### **1.1 Personal Care –**

Shower support – ½ hour daily as the standard allocation? This would be a very risky strategy, as there are some people who would not be able to achieve this task within a reduced timeframe. However, we could potentially make the ½ hour the “default” and if people needed more, we could increase it back up. Savings could be estimated at 3.5 hours pw for those with PC allocations of 7 or more pw – 43 clients (HSPC) + 35 clients (IFPC) = 78 clients x 3.5 hrs = 273 hours pw x \$26 = \$7098 pw (**Max of \$184,548 for 6-months**)

### **1.2 Home Management support –**

1.5 hours is the maximum, no exceptions. 31 people are over this figure now – 15 people @ 2 hrs/wk (saving 7.5 hrs/wk); 3 ppl at 2.5 (saving 3 hrs/wk); 8 ppl at 3 (saving 21 hrs/wk); 2 ppl at 3.5 hr/wk (saving 4 hrs/wk); 1 person at 5 hrs/wk(saving 3.5 hr/wk); 1 person at 12 hr/wk (saving 10.5 hrs/wk) = total saving 49.5 hrs/wk = \$1287 pw = **\$33,462 for 6-months.**

Or/ HM allocations over 2.5 hrs/wk reduce by 1 hour/wk (13 x 1 hr = **\$8788 for 6 months**)

IFHM – there are some high allocations, many of which include meal prep. There are 12 clients with hours ranging from 2-13 pw. If a similar process as above were to be applied, this would result in savings of : 1 x 11.5, 1 x 4; 1 x 3.5; 1 x 3, 2 x 2.5; 5 x 1.5; 1 x 0.5 – total hours saved = 35 pw x \$26 /hr = \$910 pw = **\$23,660 for 6-months**

Therefore, this strategy could save over the HM category, HSHM and IFHM a total of 31 clients saving **\$57,122.**

Meal prep – removed from all packages and other options are offered (prepared meals). Not sure how this would be identified in existing packages, but would be addressed anyway if the above strategies were used.

All people with HM living with others – max 1 hr pw. Savings not known, as unsure how we would identify these people.

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## 1.3 Supported Living -

No review costs added unless a meeting is requested by us. In past 12 months, this totalled 39 hours x \$35 /hr = **\$1365** total. Very small savings, possibly because we are already very tough about these "review" allocations for providers.

Review if long-term "static" packages and no skill development is evidenced - transfer to PC or HM support instead. Savings would be the difference between the S/L rate (\$35-\$41 /unit) and the PC or HM rate (\$26-\$33/unit) - roughly \$9 per unit. This would be a low saving for Whanganui as we do not have high numbers of people in S/L - around 37, and most do not have large allocations. Total hours allocated = 147. Max savings possibly **\$10,000 - \$15,000** to the 6-month period, if we were able to achieve this for around ½ the total S/L hours.

## **2) Mid- to Long-term savings ideas**

### 2.1 BSS -

We could negotiate an agreement with families/providers that there will be a corresponding reduction in supports once the B/S plan has been completed e.g. if the behaviour is more manageable, the need for respite should reduce?

### 2.2 Carer Support/Relief -

Reduction in Carer Support for those people who are not currently using their allocation - if we implement this prior to "I Choose" we can then have a different discussion with families once it is implemented i.e. they will be allocated according to the Matrix, and not what they currently have. We have 21 families in this position, which would be a total of 506 days x \$76 = **\$38,456**. However, as these are currently allocated but not used, I am not sure whether this would actually count towards any "savings".

Carer Support - 0-51 days, reduce by 1 day pa (\$11476) 52 to 77 days, reduce by 2 days pa (\$13680), more than 78 days reduce by 3 days pa (\$2964) - total savings = **\$28,120**. Could be done by a letter only, but would only affect those who come up for annual review, as unable to review annual allocations early. Therefore, not an immediate solution.

### 2.3 Residential -

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Review Band 2 services – how much support are these people actually getting or could some of them be candidates for S/L? Again, this is generally considered at each reassessment, and realistically, most of these people fully institutionalised so would not be suitable for supported living. However, we have identified 3 men who live in [REDACTED] residential services – Band 2 – and who have little actual support provided (possibly 2 hours each evening). If we transferred these people to S/L packages, we could potentially save around \$300 pw x 3 clients = \$900 pw = **\$23,400** for the 6-month period.

Review Individual services – could any of these people live with others – e.g. [REDACTED] to S/L? Not likely to be achieved within the next 4 months. Could be a mid- to long-term option. Very small numbers, only 10 in total. Any overall reductions are likely to be minimal, as these people still have very high support needs, and would still require a high level of staff resource.

## 2.4 Waitlist –

We could look at introducing a waitlist for certain services – B/S, Supported Living, Respite, C/S – however, this will potentially only delay the costs that are going to be inevitable anyway. Of note, our spend for BSS in the 12 months was around \$97K, so if this was not an immediate option for people, we could potentially save a similar amount to this – or **\$48,000-49,000** for 6 months. However, it would probably result in an increase cost in other services, such as respite and residential care, as families fail to cope with the ongoing behaviours.

## **3) General**

3.1 InterNASC transfers – All NASC's need to evidence that a robust review of the existing support package has taken place prior to the person moving to the new NASC region, so that we are not having to have difficult conversations with people around their expectations raised by another NASC.

3.2 Reviews/Reassessment changes will be impacted by what we decide will be our focus for this project.

3.3 Other Stakeholders, esp. "lobby groups" (e.g. [REDACTED], [REDACTED]) need to be informed possibly in a different manner?

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3.4 Reductions in high cost packages (community or residential) should be "fast-tracked" through the NNR/IRP process, with minimal bureaucracy

3.5 Annual allocations are going to be the easiest to reduce – e.g. if Carer Support by 1-3 days as suggested above in 2.2. The same principle could be applied to Facility Respite and IF Respite – an "across the board" reduction by a particular formula or percentage. E.g. IF Respite – a 3% reduction across everyone who has an annual allocation of 200 or more units, would result in roughly **\$12,500** saved over a 12 month period.

3.6 Equipment - We could review packages of support following referrals to "rehab" therapies – e.g. if there has been an OT referral, and equipment provided as a result, we could follow up with the person about the gains from this and possibly a corresponding reduction in funded supports? We could track these people from our outwards referrals, but it would be a time-consuming task having these conversations, and the gains are likely to be small. Again, it is a small number of people, and the savings would be minimal.

3.7 Staff resource – If we were using our existing resources, [REDACTED] experienced (SSF) staff person would need to work on whatever strategy we agreed upon, and the Support Co-ordinator could complete the data entry. We would struggle with the remaining workload, in terms of experienced staff, but we do have the capacity with full staffing, and the contract assessor in place.

My preference for staff resourcing of this project would be that the team here would "triage" cases and then make referrals to a central point for follow up with the person/provider. The data entry could then be sent back here to be completed.

Notes compiled by: [REDACTED] (Team Leader – Whanganui)  
11/02/2019

Accessability Taranaki

Briefing for Ministry 07.02.2019

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Before we move into budget savings: MoH has agreed to set up a new residential service for [REDACTED]

Cost at today's date: \$188,358.47 per annum additional to current budgets.

Suggestions not under current service lines:

Needs Assessments for children with Autism under 6, referrals from CAMHS or CACC. No support allocated – referral to early intervention/BSS. No assessment information taken from phone call, entered into system and coordinated, no other active services

FFC – change to FFC, support for families to come from Work and Income similar to current Carers Benefit. We have had several situations where we have agreed FFC hours, FASS goes to meet the family and tells them they should have more hours and to go back to the NASC. Does not help the difficult process. We have gone back to FASS to ask that this does not happen.

Other ideas are people with diagnosis that have been with service for a number of years that would not be eligible now – possible shared support with LTS-CHC or transfer to Older Persons services. People in Rest Home who are now Over 65

## Taranaki

Started with SL before MoH request due to feedback from people about their rostered hours – eg: support over week days only, weekly roster information, example on file, SL plans with support around housework (same tasks over a number of years). Also feedback from [REDACTED] SL reviews.

Community:

**Supported Living** - Discussion with 3 providers. Discuss with the provider the amount of case management for all people and where possible without interfering with actual support hours reduce packages. Opportunity to look at people who share a home with another person with a disability.

Look at all packages where identified need is household management and discuss changing SL to H/M. This will take longer – talking to person and or families but could happen alongside discussion with providers.

If across the board changes are made examples below:

Scenario 1:	week	month	annual	6
monthly				

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specific to [REDACTED]						
<b>Scenario 1</b>						
over 65			\$3,858.80	\$16,721.47	\$200,657.60	\$100,328.80
16 ppl = 110 units		110				
<b>Scenario 2</b>						
maximum 20 units			\$1,192.72	\$5,168.45	\$62,021.44	\$31,010.72
5 ppl over 20 units = 134 units						
(5 x 20 = 100)		34 units saved				

Changes made to IDEA SL so far:

Cancellation/reduction of 58hrs @ 1<sup>st</sup> January through usual review process. \$2,030 per week, \$8120.00 per month, \$48,720 6 months. Ramp up this process with a senior service facilitator talking with Supported Living Manager.

127 people in SL across 3 agencies – target group for Taranaki.

**IF & IF respite** – there is a possibility to look at hours here however the strategy to do this would involve a lot of work if involving families. The only way I can think to minimise stress on families is to talk with providers like [REDACTED] and ask them where packages of support have accumulated large savings and look at decreasing these (again would require a lot of work with families). Example percentage over \$5,000 per annum.

No figures available would need provider to advice.

**Personal Care/Household packages** – review all allocations, discuss options around meal prep and reductions in house work help. This would need to be with the disabled person. Also need to remember that if working on SL there will be an increase to household management

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			Weekly	Monthly	Annual	Six monthly
YP-HSHM	\$33.66					
<b>Scenario 1</b>						
Maximum 4 hrs						
20 people over 4 hours per week =137.25 units						
20 x 4 = 80						
Reduce down to minimum 4 hours		80 savings	\$ 2,692.80	\$ 11,668.80	\$ 140,025.60	\$ 70,012.80
Maximum 2 hrs						
56 ppl = 243.50 units						
56 x 2 = 112 units		112 saving	\$ 3,769.92	\$ 16,336.32	\$ 196,035.84	\$ 98,017.92
<b>Scenario 2</b>						
2 people under 16 with allocations		3	\$ 100.98	\$ 437.58	\$ 5,250.96	\$ 2,625.48
3 total units per week						
<b>Scenario 3</b>						
41 people over 65 with allocations		86.8	\$ 2,920.01	\$ 12,653.36	\$ 151,840.26	\$ 75,920.13
86.75 total units						
look at transfer to OPH						
<b>Scenario 4</b>						
<b>Reduce to be in SPA</b>						
?						
<b>Scenario 5</b>						
Reduce by 2 hrs week						
55 ppl over 2.5 hrs		110	\$3,702.60	\$ 16,044.60	\$ 192,535.20	\$ 96,267.60
ppl with less than 2.5 hrs excluded						
<b>Scenario 6</b>						
Reduce by 1 hrs per week						
133 ppl over 1.5 hrs		133	\$4,476.78	\$ 19,399.38	\$ 232,792.56	\$ 116,396.28
ppl with less than 1.5 hrs excluded						

**Personal Care packages** – as per Data information. This across the board process of 1 hr per week from all personal care allocations would need Ministry discussion with disabled people and providers. We would need to look at and discuss with individuals as this will have a direct impact on their lives

<b>Scenario 3</b>						
131 ppl						
reduce everyone 1 hr per week (3 ppl 1 or less)=128		128	\$ 4,308.48	\$ 18,670.08	\$ 224,040.96	\$ 112,020.48
reduce everyone 2 hr per week (20 ppl less that 2.25)		222 111 x 2	\$ 7,472.52	\$ 32,380.92	\$ 388,571.04	\$ 194,285.52

**Respite/Home Support** – Do not have very many people in either of these service lines

[REDACTED]

Would need a discussion with the provider – people in these categories need this level of support.

**Carer Support:**

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				Weekly	Monthly	Annual	six monthly
YP-CS	\$	76.00					
<b>Scenario 1</b>							
Reduce everyone 2 days year	475 ppl x 2	950		\$ 1,388.46	\$ 6,016.67	\$ 72,200.00	\$ 36,100.00
Reduce everyone 5 days year	475 ppl x 5	2375		\$ 3,471.15	\$ 15,041.67	\$ 180,500.00	\$ 90,250.00
Reduce everyone 8 days year	475 ppl x 8	3800		\$ 5,553.85	\$ 24,066.67	\$ 288,800.00	\$ 144,400.00
<b>Scenario 2</b>							
Maximum 60 days							
18 ppl over 60 days							
(18 x 60 = 1080 days)	= 1588 days						
	508 day saving			\$ 742.46	\$ 3,217.33	\$ 38,608.00	\$ 19,304.00
<b>Scenario 3</b>							
over 65 to OPH							
7 ppl over 65 = 244 days	244 day saving			\$ 356.62	\$ 1,545.33	\$ 18,544.00	\$ 9,272.00

## Residential:

As per Ministry: Look at all packages over NNR and IRP to see if possibilities around hours or people possibly living with others.

NZCare residential							TOTAL
AAL	7115					264.47	
AAL	16622					179.19	
AAL	39796					876.71	discussion with provider to reduce support during the day as [REDACTED] has CCS transition VHR
AAL	50000					543.31	discussion Nationally [REDACTED] ability to live with others in other residential services not just in Taranaki
AAL	72875					288.15	
AAL	73122					284.2	
AAL	73166					281.81	
AAL	73210					330.08	
AAL	73263					442.09 ?	
AAL	73296					454.55	
AAL	73315					659.99	
AAL	73647					260.9	
AAL	73648					271.12	
AAL	73671					709.23	reduction of \$300 per day = \$2100 per week, \$8400 per month, \$50,400 6 months
AAL	73938					1073.61	assessment to be completed reduce wake to night disturbances & query 2 to 1 part days
AAL	1E+05					322.21	

IDEA							
AAL	25163			1 Daily	0	622.89	
AAL	72866			54 Weekly	25.19		
AAL	72937			112 Weekly	25.19		
AAL	72999			1 Daily	0	642.01	Check number of people [REDACTED] lives with query High Complex Living alone or with one other
AAL	73003			70 Weekly	25.19		
AAL	73008			1 Daily	0	661.77	Query [REDACTED] living with one other discussion with Area Manager
AAL	73014			85 Weekly	25.64		
AAL	73021			1 Daily	0	595.55	
AAL	73054			56 Weekly	25.19		
AAL	73058			1 Daily	663.24	663.24	
AAL	73072			1 Daily	0	640.17	Plan for [REDACTED] to live with others over time
AAL	73083			1 Weekly	25.19		
AAL	73184			1 Daily	0	609.94	Check number of people [REDACTED] lives with query High Complex Living alone
AAL	73289			1 Weekly	25.19		
AAL	73347			1 Daily	0	588.79	Check number of people [REDACTED] lives with query High Complex Living alone
AAL	73617			66 Weekly	25.64		
AAL	73755			63 Weekly	25.19		

Unable to calculate savings until after conversations with provider

Across the board start packages of support for 3 months and review rather than 12 although this will affect the versatility of IF.

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## EXAMPLE RESIDENTIAL CHANGES

DSS Services		Add New DSS Service 					
	Provider	Service	Quantity	Start Date	End Date	Annualised Cost	Status
			5.00	12/02/2018	11/02/2019	\$8,945.11	Exported
			20.00	12/02/2018	11/02/2019	\$23,756.29	Exported
			54.00	12/02/2018	11/02/2019	\$106,577.35	Exported
Annualised Cost:		\$139,278.74					

Instead of 54hrs + 20 hrs discrete, it was the total in hours, example above - 84hrs Band 5 total per annum would be \$136,593.50 saving \$2,685.24 per annum for this person. 9 people currently Band 5 with additional discrete.

9 x approx. \$2,685.00 = (\$24,165) per annum

Life Unlimited

2019

Phil Wysocki  
Manager, Service Access (DSS)  
Ministry of Health  
PO Box 5013  
Wellington 6140

Dear Phil

### **Life Unlimited: Budget Management Initiatives for NASCs**

Following your recent communications with NASCs, we are writing to present the proposed budget management initiatives for the Hutt Valley and Tairāwhiti NASCs.

### **Proposed Approach**

We are proposing a two-pronged approach to budget management in our NASCs. That is:

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- a re-set of service entry thresholds (quick win); and
- a comprehensive review and reapproval process for 'outlier' support packages (medium – high impact).

Please note that in proceeding with these approaches particular planning and care would be taken in terms of communication and scheduling – we do not support the standard issuing of a generic letter from the Ministry of Health and believe that individual communications should be undertaken by NASCs so that communications can be appropriately formulated recognising the individual sensitivities of each case.

## *Re-set of Service Entry*

The most effective (and possibly easiest) strategy for achieving an immediate reduction in overall allocations is to reduce the average size of the allocations made at the entry of a new client. This is because there is no pre-existing client expectation or dependence and our experience, particularly in the Hutt where we operate LAC in conjunction with NASC, is that this is the optimal time to engage natural supports.

Staff coordinating service packages are directed to work within SPA levels and to follow allocation guidelines. In considering how we could reduce support packages at entry we undertook a review of our average allocations versus other NASCs, using the Ministry's benchmark data, to identify key areas of variance. We also had circumspect discussions (without raising the budget deficit) re how allocated hours are used – for example, one of our key community providers in the Hutt has now undertaken to work with us to develop joint support plans to identify where the allocation of Household Management packages is overly generous.

In parallel we also propose to tighten up our allocation of SiL set-up fees – while the impact of this against the overall DSS deficiency is small, if this practice was universally adopted it would result in a level of saving.

This initiative could commence immediately and has minimal resource impact on the NASC teams - i.e. likely to require more input from senior staff (e.g. dealing with additional approval complexity and client complaints).

## *Reassessment and Reapproval of Outlier Packages*

Our proposed medium to high impact strategy component is to undertake a specific piece of work to review and reapprove all outlying service packages. That is, to reassess and review all support packages that fall above the average allocations as indicated by an analysis of the Ministry's benchmark data.

Service Line	Outlier definition	Hutt NASC – current estimate of clients with 'outlier' packages	Tairāwhiti NASC – current estimate of clients with 'outlier' packages

Residential	Annualised package over \$100k	75	10
Carer Support	More than 65 days	45	5
Household Management	Over 5 hours per week	29	20
Personal Cares	Over 20 hours per week	53	9
SiL	Over 10 hours per week	35	1
Over SPA	Community clients only and excluding BSS <sup>1</sup> - High and Very High	47	2
Individualised Funding	Annualised package over \$40k	40	5

Our approach would be for a comprehensive assessment to be undertaken by one of our needs assessors (independent from the usual service coordinator) for all of the clients with 'outlier' packages. The service coordinator would then undertake a specific review process and in those cases where they identify that the package should continue then their review would be considered by an internal approvals panel. This panel, comprising senior staff, would also be available to support the Service Coordinator in managing any complex or sensitive package reductions that need to take place after the reassessment.

If this initiative is undertaken over a 6-month period it would be possible to sequence so that these reassessments were undertaken in a timely way, but in a way that does not unnecessarily 'spook' clients. This initiative requires either additional resource (see below).

## Tairāwhiti – Implementation Risk

We do want to take this opportunity to highlight to you our general concern about the potential impact of budget constraints, and allocation reductions, in the Tairāwhiti area. As you know, Tairāwhiti is a vulnerable community characterised by a young population with a high proportion of Maori and higher than average social deprivation.

Life Unlimited is of the view that current DSS supports do not adequately meet the real disability need of this community and we would very much like to engage with the Ministry as soon it is opportune in an LAC-type initiative to mitigate this.

In the meantime, we will exercise extreme care in proceeding with budget management initiatives in Tairāwhiti and keep you particularly well-apprised of progress.

## Support for Implementation

---

<sup>1</sup> BSS is excluded because while it is often the factor that takes the package over SPA level it should be a one off and so the likely medium- long term benefits do not warrant the cost (and potential whanau stress) of our proposed review process.

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You have asked us to state the support that the Ministry could provide to facilitate our successful implementation of budget management initiatives.

We are requesting support from the Ministry in terms of communications to stakeholders and also some financial recompense to meet the NASC's increased resource requirements arising from implementing these initiatives.

As per the recent teleconference with all NASCs, we ask that in addition to communications to contracted providers that the Ministry makes clear to key NASC community stakeholders the additional constraints now being placed on DSS NASCs. Specifically, that is communication to DHBs, Oranga Tamariki, HCN coordinators and Ministry of Education Special Ed.

We have given significant thought to funding requirements and ask that, to meet the total additional resource requirements across both NASCs, the Ministry provides Life Unlimited the funding for ■■■ FTE plus overheads for 12 months to:

- undertake the approximate 300 reassessment and reviews (conservative estimate of 1,500 hours work);
- manage the reapprovals process;
- undertake client and provider communications and action client complaints; and
- review, analysis and reporting of allocation and performance data for management, exception

*Note that the work required will necessitate varying skill sets and at this stage we would envisage engaging: a needs assessor for ■■■, an analyst ■■■ and increasing the hours of one of Coordinators ■■■ to backfill for senior resource being redeployed.*

## Potential Wider Initiatives

In considering drivers for service needs, cost and size of allocation we have identified the following areas that cannot be adequately or appropriately addressed at an individual NASC level but that we would like to highlight to the Ministry for parallel investigation as part of its projects team's work to address the budgetary issue:

- *Referrals from Child Development Service/Paediatricians for young people with autism:* like most of our NASC colleagues a very significant proportion of the new client referrals made to Life Unlimited are requests for carer support and/or behaviour support that are made at the time that the clinical professional formally diagnoses autism. While in some cases there is a very real need for these supports, this referral pattern does now seem to be an entrenched practice and there is an expectation that the DSS support is effectively an entitlement.
- *Challenging behaviour:* a key driver of many of the support packages of all NASCs is challenging behaviour. NASCs are in the position of having a pretty good view at any time as to which providers are and are not managing in the support they are providing for clients exhibiting challenging behaviour. We think there would be very real value if NASCs were able to take a more proactive/investment type approach (perhaps working in conjunction with provider CRMs) to

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offer providers some practical support and assistance to review approach, perhaps as a condition of any package increases directly related to behaviour management.

- *Ageing residential clients*: there is now a significant population of ageing residential clients. Many of our providers struggle to adequately meet all of the needs of this population and hence frequently push for increased allocation (and/or service delivery that is not fully adequate gives rise to an incident that then becomes the driver for increased funding). For example, the cohort of ageing ██████████ residential clients where we are increasingly seeing supports having to increase to ensure the client stays safe in their “home for life”. While we, and our NASC colleagues do address these on a case by case basis it is immensely time consuming and often distressing for both families and the support staff involved. Options would be for the Ministry to address this as at a policy level and/or to look at whether investing in some joint work with providers (and possibly Te Pou) to improve the skill level of staff so that longtime ID support workers can manage physical needs of older people (e.g. managing skin integrity) and that longtime PD support workers can manage the cognitive needs of older people (e.g. onset of dementia).

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## Next Steps

In closing we'd like to acknowledge that the current environment is challenging not only for NASCs but for the Ministry too and as such we greatly appreciate the collaborative approach you have taken to working through this situation. Please be assured that we are committed to working with you to ensure that the needs of the communities that Life Unlimited supports are met with the current constraints.

We look forward to talking to you further about our proposal.

Yours sincerely



Mark Brown  
**Chief Executive**

Karen Wilton  
**Service and Development Manager**

Cc: Doug Funnell (CRM)

## FOCUS

### Short term

Reduce Coordinator delegation - escalation to Manager/Team Leader for approval for packages over 7hrs PC, 2hrs HM, 5hrs SL per week or 50 days per year respite (carer support and/or residential respite)

Shift staff resource to target reviews on packages over these allocation levels. Also target those that have an allocation of Discrete 1:1 for people attending Vocational services, and packages over SPA. Continue routine reviews and reassessments as able applying the same focus as above.

Discussion with the DHB ASD Coordinator (who sits within the FOCUS team) to set expectations that referrals for NASC services are an option of last resort.

### Resource considerations.

FOCUS had an MOH development review at the end of 2017 which resulted in 11 findings. FOCUS has responded and met 10 out of the 11 findings. The final finding is regarding DHB planning documents and we were given until 31 March 2019 to response to this. The auditor has also indicated they are planning to do a return visit around June.

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We would request a delay in the above so that the Manager and Team Leader can be actively involved in this overall process

Longer Term

FOCUS will continue to closely monitor allocations and increase opportunities to reduce these as appropriate under the above framework.

## Capital Support

SERVICE LINE & ACTION	WHO	BY WHEN
<b>SIL-</b> Review upon Annual review and proposal looking at 10-20% (TBC depending on how much is needing to be saved) cut in SIL allocation. Review HM and PC allocation also... but ensure what goals there are is that they could be identified to be over a longer period for completion rather than the 1year. Estimated saving- depends on how much to be saved at local area level.	All providers with MOH and Service Facilitators engagement.	Start in 2 weeks- Monthly can review.
<b>HCSS &amp; IF-</b> Review of HM Guidelines and review of all HM allocations for anyone allocated over 3 hours per week. Estimated savings- depends on how much to be saved at local area level.	Capital Support.	Start in 2 weeks- Monthly can review.
<b>HCSS &amp; IF &amp; Carer Support &amp; Respite non IF-</b> Child Development Services team referrals- increasing threshold as half referrals could go without DSS allocation and may save a lot in BSS referrals also. Estimated savings- depends on how much needs to be saved as can cut referrals at a set rate depending on a threshold being established.	MOH/ CDS/ Capital Support.	Start after discussion with CDS- Can review monthly.
<b>All service lines with new referrals-</b> Reduce allocation by (e.g.5.0%) depending on how much needs to be saved at local area level. Estimated savings- depends on how much to be saved at local area level.	Capital Support.	Start after approval by MOH and can review monthly.

## Capital Support Urgent Action Plan

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(At request of MOH)

Nelson Marlborough

The initial plan for Nelson Marlborough NASC is to pull and review available reports and metrics looking at potential areas for reductions. This process is already in progress.

We will focus on four areas initially, which are:

OverSpa

Household Management

Carer Support

IRP

## OverSpa

When reviewing all OverSpas we will be looking at pulling data on the following areas:

- Service categories
- Assessor
- \$ per category
- Amount over SPA

In pre-planning stage, it is reviewing the top 10% OverSpa and look at anticipated funding savings if reductions are made based on percentage decreases e.g. 2-3%.

## Household Management

Reviewing any plans over 3 hours

## Carer Support Allocations

Reviewing all over 28 days

## IRP

Reviewing and assessing recent and upcoming requests.

## LifeLinks \$3million Budget Cutback/savings Draft Plan

The Management Team engaged in a wide-ranging discussion about ways in which to make such savings. These budget saving ideas include:

- Need for data on a range of disability support services (SIL, PC, HM, Respite, Residential – individual rates; IF, Carer Support) to have an evidence base for making budget cuts. This data would include # of clients; SPA level; client identified; and budget allocation. Also require data on the DSS contribution to EGL clients; clients receiving behaviour support services; and clients presently over SPAed. Initially to request data from the MoH or have the MoH provide training to Rebecca on developing reports from Socrates.
- Reduce SPA thresholds for all clients
- Reduce client packages according to whether they are small or large packages to reduce the impact on families (e.g. small packages minimal changes; 10% for medium packages; 15% for large packages)
- Services not used to be removed
- No over SPAed clients. Currently at 13.35%.
- New referrals on waiting list from now and that waitlist will be created in SOCRATES and will be called WAITLIST COORDINATOR. That way everyone will be able to see the activity
- Lower the threshold at the different SPA levels

There will be a need to track budget reductions each month from implementation to ensure that the \$3M target is reached by June 2019.

Also noted that before staff begin to implement the regime for budget cutting the MoH will need to have a communication package in place. This package would include:

- Letter to clients explaining the need to restrict budgets

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- 0800 number in place to answer clients' questions and receive complaints
- No blame policy in relation to NASCs

MoH will also need to engage with contracted residential services about the need to reduce their budgets

In the longer term MoH to ensure the sustainability of the DSS budget consider implementing the following policy changes:

- Children under a certain age not receiving HM, except in extreme circumstances. Rather access such services via GPs or paediatricians
- Exclude those clients on low SPA (less than 1 hour per week of any one of DSS) from accessing DSS
- Change criteria for receiving DSS to 5-65 years
- Remove ASD as a condition to receive DSS and replace with national specialist service provider
- Do not add foetal alcohol syndrome to the eligibility criteria to receive DSS

The Management Team also suggested a rationale for the MoH providing additional resources during the budget reduction period i.e. additional resource used to develop background information about clients use of packages as an evidence-base for Outcome Coordinators discussions with clients

Implementation of the above requires time to plan and prepare. We propose that February is a time of planning ready for implementation to start in March. Should wait till March meeting when NASC are together to develop a **national plan**.

We believe that completing reassessment/review earlier than due date will create more complications therefore any changes in packages to be done at review/reassessment.

We envisage needing ■ additional FTE being needed as there will be an intensive function to roll over current packages along with the additional research and analysis work – reports from SOCRATES etc and we do not have spare bodies. We only have ■ FTE in our admin area as our minimal resourcing has gone into coordination. We are already stretched well beyond normal working conditions and as this budget saving process is going to take more time outside the normal, we would only be able to implement major cuts with additional resourcing

Additional staff would support coordinators to identify packages that can be reduced by looking at current allocations, history and usage. This will free up staff to have the conversations with clients about reduced allocations.

Our team is still concerned that while NASCs apparently can only control allocations, many of our allocations in SOCRATES end up being annualised, which is contrary to the actual cost, and therefore produce a false sense of allocations which in the end result in expenditure forecasting. We strongly believe that that area needs urgent attention

Our team also wonders how this will be monitored and what tools can be developed quickly to do so

We also believe that the MoH communication plan will need to incorporate waitlists now occurring because we cannot now take on any new referrals as we are stretched and yet the demand continues to rise around 100 per month. If we were to accept new referrals then if you place some averages on those numbers and clients, then excess of \$1m would be added to the blow out just in Christchurch over next 12 months

Accessability Otago Southland.

## **AccessAbility Otago/Southland budget proposed management strategies February 2019:**

### **Review Project Objective:**

- To research, and suggest strategies to reduce the DSS service budget.
- To suggest strategies to reduce the DSS service allocations without compromising the organisations mission and ensure important decisions are consistent with our core purpose statement and in the interests of disabled people and providers.

### **Resources required to implement changes:**

Due to the number of people we support in Otago/Southland (2711 people) additional staffing resource would be required to complete this task within the required timeframe.

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I propose that we dedicate one staff member (Senior KC .5 workflow) to this project to ensure consistency across the region and to ensure this can be closely monitored and supported by the management team. Given the size of the Otago team I believe it would be a difficult task to ask all of the Service Facilitators to take on this project and would also make it difficult for the Team Leader to manage across the board. This scenario would also cause the least amount of impact on overall workload.

Additional resource would be required from the MoH to undertake the data entry associated with the review. This will take a considerable amount of time, in which we do not currently have the resources to cover.

Additional support and resourcing would be required from the MoH to support the NASC in communicating this review to the people and organisations we work with. It is expected that there will unhappy people, which may lead to a significant increase in complaints-utilising management resource.

I propose that the MoH support the NASC by managing any complaints associated with the reduction in supports to allow us to better utilise our resources. This could be done by way of us directing calls to the MoH call center or a specific contact.

The MoH will also need to consider how this will be communicated to providers as this could potentially affect jobs due to a reduction in hours of support.

## **Short term proposals:**

### **Scenario 1- Household Management:**

#### **Current situation:**

There are 435 people with packages of Household Management support over 1.5 hours per week (people with packages less than 1.5 have been excluded from this scenario)

#### **Proposed changes:**

If we were to look at reducing everyone's packages by 1 hour per week, this would save approx. \$761,389.20 annually.

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We need to take into consideration that this reduction may not be appropriate for everyone, however even if we could look at this for approx. 80-90% of people this would result in a significant overall reduction in the budget.

## Approx savings:

Weekly:	\$12,117.60
Monthly:	\$52,509.60
6 Monthly:	\$315,057.60
Yearly	\$761,389.20

## Scenario 2- Supported Independent Living (SIL):

### Current situation:

There are 388 people with a package of SIL 1 hour or more per week

### Proposed changes:

If we looked at reducing everyone's SIL package by 1 hour per week, this would save approx. \$828,830.08 annually.

We need to take into consideration that this reduction may not be appropriate for everyone, however even if we could look at this for approx. 80-90% of people this would result in a significant overall reduction in the budget.

## Approx savings:

Weekly	\$15,939.04
Monthly	\$69,069.17
6 monthly	\$414,415.04
Annually	\$828,830.08

## Scenario-3- Individualised Funding- Personal Care (IFPC)

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## Current situation:

There are currently 79 people under the age of 16 years with packages of IFPC.

## Proposed changes:

If we looked to reduce everyone's package by 1 hour per week would save approx. \$250,017.88 per annum.

Given the age of these young people, there is a level of parental responsibility, therefore for those who are living in relatively settled living arrangements, this reduction would hopefully have the least amount of impact, compared to a person living alone.

## Approx savings:

Weekly	\$4807.94
Monthly	\$20834.40
6 Monthly	\$125006.44
Annually	\$250,012.88

## Scenario 4- Carer Support (CS)

### Current situation:

There are 1110 people with CS packages. 633 people have a package of Carer Support over 24 days per annum.

### Proposed changes:

If we looked to reduce everyone's package who have an allocation over 24 days per annum by 2 days per year (1266 days) this would total approx. \$96,216 per annum.

### Approx savings:

Weekly	\$1850
Monthly	\$8018
6 monthly	\$48,108
Annually	\$96,216

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## Total proposed savings based on the combined above scenarios:

\$1,805,174.16 per annum.

We need to take into consideration that we may not be able to make these reductions for everyone, for example-due to safety reasons etc. However given the \$\$\$\$ target provided by the MoH, it leaves a difference of \$\$\$\$ to allow for these scenarios where reductions cannot be made.

### Other budget management strategies longer term:

- Introducing a Residential Waitlist
- Stopping all allocations of Supported Living review and Set up costs.
- Ensure at review time that all people on individual rates are reviewed, including reviewing if people have moved out of the home and the impact this would have on the daily rate and sleepover component.
- Only allocating Behaviour Support once [REDACTED] and not enter at time of referral.

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Sent by:  
Barbara.Walters@waik  
atodhb.health.nz  
27/02/2019 11:41 a.m.

To: "Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@moh.govt.nz>  
cc: "angela.tewhaiti@accessability.org.nz" <angela.tewhaiti@accessability.org.nz>  
"Doug\_Funnell@moh.govt.nz" <Doug\_Funnell@moh.govt.nz>, "Gemma\_Rogers@moh.govt.nz" <Gemma\_Rogers@moh.govt.nz>, "sonia.haweataikura.org.nz" <sonia.haweataikura.org.nz>, Graham Guy <Graham.Guy@waikatodhb.health.nz>  
bcc:

Subject: RE: NASC working group - Sustainability project -

Hi all

I agree Craig with your comments. quite sure you all have already thought about this, around reducing allocations of PC and HH, the providers will need two weeks' notice of decreases in order to manage their staff. This will drag out any expected timeframes even more.

I am away on Friday and Nellie Harris is covering for me and have given her a hand over regarding the current situation although appreciate this is changing as we speak. She will attend the teleconference.

Thanks for keeping us informed Phil.

Kind regards

Barbara Walters  
Manager  
Disability Support Services  
Disability Support Link  
07 839 8883 ext 22929  
[REDACTED]

## CONFIDENTIALITY

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**From:** Phil\_Wysocki@moh.govt.nz [mailto:Phil\_Wysocki@moh.govt.nz]

**Sent:** Wednesday, 27 February 2019 10:12

**To:** Craig Hutchison

**Cc:** angela.tewhaiti@accessability.org.nz; Barbara Walters; bronwyn.collett@northable.org.nz; Doug\_Funnell@moh.govt.nz; Gemma\_Rogers@moh.govt.nz; marlon Hepi; sonia.haweataikura.org.nz

**Subject:** RE: NASC working group - Sustainability project - confidential

thanks for your feedback Craig

Please see below responses to your questions:

- the reference to MidCentral is likely to remain - Doug has shared some of the headline messages from the proposed media statements. We won't be able to remove this if this is what the minister wants to say.
- can I ask that if you are sharing anything with your teams that it is extremely important that it be in the strictest of confidence. The sands are shifting literally hourly, currently it's unlikely there will be any announcement tomorrow as I suggested yesterday - Things may delay. I'll let all NASC know more on Friday on the teleconference once I'm clearer on where things are at

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- there has been no funding increases to providers this year other than those required directly as a result of the Pay Equity settlement which is covered under legislation
- 

Thanks again everyone for your ongoing support

cheers

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050  
[mailto:Phil\\_Wysocki@moh.govt.nz](mailto:Phil_Wysocki@moh.govt.nz)

From: Craig Hutchison <hutchisonc@lifelinks.co.nz>  
To: "Doug\_Funnell@moh.govt.nz" <Doug\_Funnell@moh.govt.nz>, "sonia.haweataikura.org.nz" <sonia.haweataikura.org.nz>,  
Cc: "angela.tewhaiti@accessability.org.nz" <angela.tewhaiti@accessability.org.nz>, "bronwyn.collett@northable.org.nz" <bronwyn.collett@northable.org.nz>, marlon Hepi <marlon.hepi@taikura.org.nz>, Barbara Walters <Barbara.Walters@waikatodhb.health.nz>, "Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@moh.govt.nz>, "Gemma\_Rogers@moh.govt.nz" <Gemma\_Rogers@moh.govt.nz>  
Date: 27/02/2019 09:22 a.m.  
Subject: RE: NASC working group - Sustainability project - confidential

Good morning

Overall I think this reads well and tells the story as we know it.

BUT I think it is not appropriate to either include reference to the PILOT in north island or perhaps change the wording

The way its written now it would suggest that this is the way of the future. In fact its costing much much more to operate the scheme and I believe the expectations from the PILOT are contrary to other statements made in the bulk of the draft document. It talks about person driven etc..well the PILOT is certainly that but its not sustainable either. So I believe if that reference/para remains it will infer/imply/suggest that, that is the way for the future.

Otherwise reads OK

We do need to get our team on board ASAP

Can I also check that there will be NO funding increases for any community providers/residential providers etc as the annual norm has been.

If anyone gets a pay rise(apart from NASCs!!!) then I imagine the sky will fall in further!!

Craig

**From:** Doug\_Funnell@moh.govt.nz [[mailto:Doug\\_Funnell@moh.govt.nz](mailto:Doug_Funnell@moh.govt.nz)]

**Sent:** Wednesday, 27 February 2019 8:20 a.m.

**To:** sonia.haweataikura.org.nz

**Cc:** Craig Hutchison; angela.tewhaiti@accessability.org.nz; bronwyn.collett@northable.org.nz; marlon Hepi; Barbara Walters; Phil\_Wysocki@moh.govt.nz; Gemma\_Rogers@moh.govt.nz

**Subject:** NASC working group - Sustainability project - confidential

Following on from the teleconference yesterday Phil asked I send out the draft planning around the approach he

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talked about yesterday.

It would be good to get any feedback you have in relation to this document. It is not yet complete, there are likely to be some changes and as with the discussion yesterday please keep it confidential at this point although I understand you may need to get some feedback from experts within your team.

**Your feedback would be appreciated by the end of today Wednesday if that is possible.**

If you could concentrate on the sections in the main document rather than the Appendix. But I would like any suggestions for a wider prioritisation framework when considering package increases Appendix 2. There were a couple of good points raised at the meeting yesterday which I will look to include.

If you have thoughts on sentences that can be strengthened, or instructions you think are not clear, or instructions you feel would be difficult to action or have a significant negative consequence on people then it would be good to know what these are.

Thanks.

Doug Funnell  
Contract Relationship Manager  
Disability Support Services Group  
Ministry of Health  
DDI: 03 474 8550  
Fax: 03 474 8582

<http://www.moh.govt.nz>

[mailto:Doug\\_Funnell@moh.govt.nz](mailto:Doug_Funnell@moh.govt.nz) \*\*\*\*\*

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Sent by: Phil  
Wysocki/MOH  
18/02/2019 02:41 p.m.

To:  
cc:  
bcc:  
Subject:

NASC Managers - DSS,  
Gemma Rogers/MOH@MOH, Doug Funnell/MOH  
Financial Sustainability

Dear NASC Managers

Just a quick email to thank you all for the plans you have submitted. we've been working through them and identifying where there are some common themes in terms of proposed approaches. We are looking to provide an overall summary and will likely look to provide some guidance around particular areas eg Home Management so that as much as possible there is a degree of consistency in approach nationally. We'll aim to get this out to you by the end of this week.

Thanks again for your continued support.

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Thanks

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

From: Simone Newsham <Simone.Newsham@nmdhb.govt.nz>  
To: "Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@moh.govt.nz>,  
Date: 13/02/2019 11:43 a.m.  
Subject: FW: NM NASC Action Plan

Hi Phil,

This is the bones of our plan. Sorry we have been a little distracted down here but as Richard says the process is underway.

Thanks

Simone

**From:** Richard Gould  
**Sent:** Monday, 11 February 2019 11:04 AM  
**To:** Simone Newsham <Simone.Newsham@nmdhb.govt.nz>  
**Subject:** NM NASC Action Plan

The initial plan for Nelson Marlborough NASC is to pull and review available reports and metrics looking at potential areas for reductions. This process is already in progress.

We will focus on four areas initially, which are:

OverSpa  
Household Management  
Carer Support  
IRP

## OverSpa

When reviewing all OverSpas we will be looking at pulling data on the following areas:

- Service categories
- Assessor
- \$ per category
- Amount over SPA

In pre-planning stage, it is reviewing the top 10% OverSpa and look at anticipated funding savings if reductions are made based on percentage decreases e.g. 2-3%.

## Household Management

Reviewing any plans over 3 hours

## Carer Support Allocations

Reviewing all over 28 days

IRP

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Reviewing and assessing recent and upcoming requests.

Team Leader - Disability  
Needs Assessment Service - Support Works  
Nelson Marlborough Health  
0800 244 300  
Phone (03) 539 3980 or ext 8980, Mobile [REDACTED]

Sent by: Phil  
Wysocki/MOH  
14/02/2019 02:54 p.m.

To:  
cc:  
bcc:  
  
Subject:

NASC Managers - DSS,  
Doug Funnell/MOH@MOH, Gemma Rogers/MOH

Financial Sustainability - CONFIDENTIAL

Good afternoon All

Please keep this communication confidential.

Thanks to you all for submitting plans around your individual approaches to the financial sustainability programme for NASC. I appreciate the time you have spent working with us and on your plans to address our growing financial pressures.

Managing within our budget by changing the level of support available to current clients will ensure we have the ability to fund newly eligible clients. Our communication to the sector will make it clear that the Ministry has directed NASC to review and realign allocations. I do not want to minimise the actions we need to take, and that these are going to be challenging for all. NASC will need to target areas where we can achieve the quickest financial gains in order for the Ministry to manage its spend back down towards its appropriation.

Areas that each of you have targeted will be collated together under various support services and we will share an overall summary with you all. We will likely need to discuss approaches to ensure that as much as possible we maintain some level of consistency across NASCs. We'll undertake to do this as quickly as we can.

Communications are being worked on this week with high level messaging and a cover letter to accompany any communications from your NASC to individuals around changes to their support.

At this stage we are aiming to get messages out to the wider sector by late February with an expected implementation date of 1 March.

Below I have added each individual NASC targeted savings. If NASCs are seeking additional resources this cost will need to be added to your savings target for 30 June

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This table shows the savings that each NASC will need to achieve by the end of the 2018/19 financial year.

NASC	Savings
	To June 19
Access Ability Taranaki	\$290,041
Access Ability Otago/Southland	\$752,441
Access Ability Wanganui	\$146,263
Options Hawkes Bay	\$481,191
Capital support	\$473,980
Support Works	\$426,650
DSL	\$925,026
Focus	\$104,588
Lifelinks	\$1,427,366
Life Unlimited Hutt	\$383,557
Life Unlimited Tairāwhiti	\$88,474
Taikura	\$2,715,349
Northable	\$434,571
Supportnet	\$714,089
Enable NASC	\$636,414
<b>Total</b>	<b>\$10,000,000</b>

Once again, I want to thank you for all your work so far and acknowledge that the next few months are going to be very challenging for us all.

Kind regards

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

Sent by: Phil  
Wysocki/MOH  
13/02/2019 07:44 a.m.

To:  
cc:  
bcc:  
Subject:

"Sonia Hawea" <sonia.hawea@taikura.org.nz>,

NASC Targets

Hi Sonia

# Released Under The Official Information Act 1982

I want to get an email out to NASC Managers before the end of the week around the financial sustainability savings targets. Do you think it appropriate I send a single email out with the table that shows every NASC's target to everyone or should I send targets out individually?

Did your meeting go ok with Min Genter?

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

Sent by:  
hutchisonc@lifelinks.co.  
nz

11/02/2019 12:02 p.m.

To:  
cc:  
<maddockp@lifelinks.co.nz>,  
bcc:

"Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@moh.govt.nz>  
"Doug\_Funnell@moh.govt.nz" <Doug\_Funnell@moh.govt.nz>

Subject:

RE: LifeLinks NASC Action Plan

Greetings Phil

Attached is the notes from our recent management team meeting in regards developing a plan to save \$3m  
This will serve as our plan however you will see the comment about waiting until March so a national plan can be developed at the NASCA meeting

Regards

Craig Hutchison

**From:** Pene Maddock  
**Sent:** Monday, 11 February 2019 9:59 a.m.  
**To:** Craig Hutchison  
**Subject:** FW: NASC Action Plan

Will you do this?

Regards  
Pene

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Lifelinks values your feedback. Please visit our Website.  
<http://www.lifelinks.co.nz/support/survey-form>

Pene Maddock ♦ Operations Manager ♦ DDI (03) 741 4585 ♦ M: 027 313 5570



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**From:** [Phil Wysocki@moh.govt.nz](mailto:Phil_Wysocki@moh.govt.nz) [[mailto:Phil\\_Wysocki@moh.govt.nz](mailto:Phil_Wysocki@moh.govt.nz)]  
**Sent:** Monday, 11 February 2019 9:58 a.m.  
**To:** [NASC\\_Managers - DSS@moh.govt.nz](mailto:NASC_Managers_-_DSS@moh.govt.nz)  
**Cc:** [Doug Funnell@moh.govt.nz](mailto:Doug_Funnell@moh.govt.nz); [Gemma Rogers@moh.govt.nz](mailto:Gemma_Rogers@moh.govt.nz)  
**Subject:** NASC Action Plan

Morena all NASC Managers

Just a gentle reminder please to submit your planned approach to the targeted savings project. I'm happy to receive these in whatever format you prefer. Today was our agreed deadline from our teleconference on 1 February.

We are continuing to work on developing comms at this end and are hoping to make good progress this week

Thank you to those NASCs who have already submitted their planned approach - much appreciated

Kind regards

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

**rom:** [Gemma\\_Rogers@moh.govt.nz](mailto:Gemma_Rogers@moh.govt.nz) <[Gemma\\_Rogers@moh.govt.nz](mailto:Gemma_Rogers@moh.govt.nz)>  
**Sent:** Monday, 11 February 2019 9:40 a.m.  
**To:** Marlon Hepi <[marlon.hepi@taikura.org.nz](mailto:marlon.hepi@taikura.org.nz)>  
**Subject:** Re: Allocation Project

Thanks Marlon

we're collating these together - is it possible to get a word version please?  
Gemma Rogers  
Contract Relationship Manager  
Service Access

# Released Under The Official Information Act 1982

Disability Support Services  
Service Commissioning  
Ministry of Health  
DDI: 095809047  
Mobile: 021874230

From: Marlon Hepi <[marlon.hepi@taikura.org.nz](mailto:marlon.hepi@taikura.org.nz)>  
To: "[Gemma Rogers@moh.govt.nz](mailto:Gemma_Rogers@moh.govt.nz)" <[Gemma Rogers@moh.govt.nz](mailto:Gemma_Rogers@moh.govt.nz)>,  
Date: 11/02/2019 09:31 a.m.  
Subject: Allocation Project

Hi Gemma,

Please find attached TT DRAFT Budget Allocation Paper, look forward to going through this with you at some point, soon.

Nga mihi,

Marlon Hepi  
General Manager – Business Development  
Taikura Trust

570 Mt Wellington Highway, Mt Wellington, Auckland  
MB: [REDACTED]  
E: [marlon.hepi@taikura.org.nz](mailto:marlon.hepi@taikura.org.nz)  
W: [www.taikura.org.nz](http://www.taikura.org.nz)

Sent by: Phil  
Wysocki/MOH  
11/02/2019 09:58 a.m.

To:  
cc:  
bcc:  
Subject:

NASC Managers - DSS,  
Doug Funnell/MOH@MOH, Gemma Rogers/MOH

NASC Action Plan

Morena all NASC Managers

Just a gentle reminder please to submit your planned approach to the targeted savings project. I'm happy to receive these in whatever format you prefer. Today was our agreed deadline from our teleconference on 1 February.

We are continuing to work on developing comms at this end and are hoping to make good progress this week

Thank you to those NASCs who have already submitted their planned approach - much appreciated

Kind regards

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336

# Released Under The Official Information Act 1982

Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

From: "Myree Ahpene [WrDHB]" <Myree.Ahpene@wairarapa.dhb.org.nz>  
To: Phil\_Wysocki <Phil\_Wysocki@moh.govt.nz>,  
Cc: "Doug Funnell (Doug\_Funnell@moh.govt.nz)" <Doug\_Funnell@moh.govt.nz>  
Date: 10/02/2019 09:01 p.m.  
Subject: Plan Subject: Draft plan to look at budget overspend

Hi Phil

Further to the telephone conference on 01/02 below is our plan to increase our effort on budget management.

#### Short term

Reduce Coordinator delegation - escalation to Manager/Team Leader for approval for packages over 7hrs PC, 2hrs HM, 5hrs SL per week or 50 days per year respite (carer support and/or residential respite)  
Shift staff resource to target reviews on packages over these allocation levels. Also target those that have an allocation of Discrete 1:1 for people attending Vocational services, and packages over SPA.  
Continue routine reviews and reassessments as able applying the same focus as above.  
Discussion with the DHB ASD Coordinator (who sits within the FOCUS team) to set expectations that referrals for NASC services are an option of last resort.

#### Resource considerations.

FOCUS had an MOH development review at the end of 2017 which resulted in 11 findings. FOCUS has responded and met 10 out of the 11 findings. The final finding is regarding DHB planning documents and we were given until 31 March 2019 to response to this. The auditor has also indicated they are planning to do a return visit around June. We would request a delay in the above so that the Manager and Team Leader can be actively involved in this overall process

#### Longer Term

FOCUS will continue to closely monitor allocations and increase opportunities to reduce these as appropriate under the above framework.

Noho ora mai (Be well)

Myree Ahpene  
Manager – FOCUS  
Wairarapa DHB  
PO Box 96  
MASTERTON  
Ph: 06 946 9813 / Fax: 06 946 9826  
Cell: [REDACTED]



From: Karen Wilton <KarenW@lifeunlimited.net.nz>  
To: "Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@moh.govt.nz>,  
Cc: "Doug\_Funnell@moh.govt.nz" <Doug\_Funnell@moh.govt.nz>, Mark Brown <mark@lifeunlimited.net.nz>  
Date: 08/02/2019 02:22 p.m.  
Subject: RE: NASC discussion 1 Feb

Dear Phil

# Released Under The Official Information Act 1982

Further to your message below, please find attached the formal response from Life Unlimited.

We'd be very pleased to talk to you further re this.

Regards

Karen

**Karen Wilton**

Service and Development Manager

Life Unlimited Charitable Trust

***Living Independence for Everyone***

5 Bouverie Street, PO Box 33145, Petone, LOWER HUTT 5046

Phone 04 569 3102 DDI 04 9035527 [REDACTED]

[www.lifeunlimited.net.nz](http://www.lifeunlimited.net.nz) [karenw@lifeunlimited.net.nz](mailto:karenw@lifeunlimited.net.nz)

**From:** "Paul Moles [CCDHB]" <[Paul.Moles@ccdhb.org.nz](mailto:Paul.Moles@ccdhb.org.nz)>  
**Date:** 7 February 2019 at 5:35:46 PM NZDT  
**To:** "Phil Wysocki@moh.govt.nz" <[Phil.Wysocki@moh.govt.nz](mailto:Phil.Wysocki@moh.govt.nz)>  
**Cc:** "Doug Funnell@moh.govt.nz" <[Doug.Funnell@moh.govt.nz](mailto:Doug.Funnell@moh.govt.nz)>  
**Subject:** As requested- suggested plan

Hi Phil and Doug,

Please find attached my thoughts around a potential action plan that can be adjusted to save more or less based on allocation practice. As the \$\$ per NASC are not out yet this is the best I could come up with re savings, but can tweak percentages on the concepts once the \$\$ are known.

I have been thinking during the week, would it not be better if we had a national approach to this and what was being cut and how it was going to happen? I feel that leaving it to individual NASC's to "sort it" will potentially create unrest within the targeted client population.

Could consideration please be given to a national and shared budget management approach?

I am on Annual Leave tomorrow hence why this is with you a day early.

Talk soon...

Kind regards,

Paul

**PAUL MOLES**

**SERVICE LEADER**

**Capital Support**

**Phone:** 04 230 6400 | **Fax:** 04 918 2173 | **DDI:** 04 230 6401 | **CELL:** [REDACTED]

**Email:** [paul.moles@ccdhb.org.nz](mailto:paul.moles@ccdhb.org.nz)

Sent by:  
Mary.Roberts@hawkes  
baydhb.govt.nz

07/02/2019 04:20 p.m.

To:  
cc:  
bcc:

Subject:

"Gemma\_Rogers@moh.govt.nz" <Gemma\_Rogers@moh.govt.nz>

Savings plan Feb 2019

Hi Gemma

# Released Under The Official Information Act 1982

Proposed savings plan as requested for NASC HB. Happy to respond to any queries.

Regards

Mary

Sent by:  
Don.Sorrenson@bopdh  
b.govt.nz

To:  
cc:  
bcc:

"Phil\_Wysocki@moh.govt.nz" <Phil\_Wysocki@mo

07/02/2019 12:55 p.m.

Subject:

Budget

Hi

We would look to make savings using the following approaches:

- 1 Target high and very high SPA 'community' clients with an aim to making reductions in funding allocations within this group quickly where possible.
- 2 Reduce funding allocation of all community packages on review by an average of 75%. Staff will be required to reduce allocations within their caseloads by a particular percentage overall. This does not mean every case is reduced, but overall, the funding allocation across the NASC is reduced by a particular percentage.
- 3 Potentially cap allocations for clients with a Level one ASD diagnosis and make a standard allocation. For example this could be an amount of carer support days or a similar dollar amount. Many of these clients currently receive packages including carer support, IF and / or IF respite or EIF.
- 4 We will not undertake early reviews that are requested for an increase in services where there is no significant increase in need.

Note: There will be some impact on resources, mostly in our admin area and some additional funding to assist with this would be appreciated.

*Don Sorrenson*  
*Regional Manager*

Support Net  
510 Cameron Road  
P O Box 2121  
Tauranga

Sent by: Phil  
Wysocki/MOH  
07/02/2019 09:05 a.m.

To:  
cc:  
bcc:

"Sonia Hawea" <sonia.hawea@taikura.org.nz>,  
Doug Funnell/MOH@MOH, Gemma Rogers/MOH

Subject:

NASC Discussion Feb1 - notes including prior NASC

Hi Sonia

Please see attached a high level summary of where we've landed with the NASC project under financial sustainability. Also included are a number of thoughts/ideas shared by the NASC Project Group around NASC may

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want to look in terms of their approach to the challenge ahead.

I'm not sure whether NASC are going to get together to have further discussions to share ideas however I wanted to share this with you as NASCA Chair as some initial thoughts the group had to feed into any discussion that may be happening

cheers

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

Sent by: Phil Wysocki/MOH  
01/02/2019 05:36 p.m.

To: NASC Managers - DSS,  
cc: "Sonia Hawea" <sonia.hawea@taikura.org.nz>, Doug Funnell/MOH@MOH, Gem  
Atkinson/MOH@MOH, Cameron Elliott/MOH@MOH, "Jan White" <jan.white@iconsult.net.nz>,  
bcc:

Subject: NASC discussion 1 Feb

Hi All

Please see attached a brief summary of this morning's teleconference discussion - thanks for pulling these together  
Doug

I've added some action points as best as I can remember. Let me know if you think I've missed anything

Have a great weekend and again thanks for your ongoing support as we work through the challenges ahead

cheers

Phil Wysocki  
Manager  
Service Access  
Disability Support Services  
Disability  
Ministry of Health  
DDI: 04 816 4336  
Mobile: [REDACTED]  
Fax: 04 496 2050

mailto:Phil\_Wysocki@moh.govt.nz

# Released Under The Official Information Act 1982

Sent by:  
Bronwyn.Collett@north  
able.org.nz

To:  
cc:  
bcc:

"Gemma\_Rogers@moh.govt.nz" <Gemma\_Roge

31/01/2019 04:34 p.m.

Subject:

Strategies for Budget Realignment

Hello Gemma

Please see attached the strategies NorthAble has developed so far for the required national exercise. The attached document only includes broad strategies across populations. We do also have some historical packages that would not meet current guidelines and I will be sending through details of these in a separate document. I will be joining the teleconference tomorrow morning. I am happy to discuss further beforehand if you want to.

Regards,

**Bronwyn Collett**  
NASC Manager



40 John St  
Whangarei 0110

**Phone** 09 430 0988  
**Fax** 09 438 9468  
**Email** bronwyn.collett@northable.org.nz

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## NASC Discussion

### NASC Savings Target

- DSS has been working with a project group including NASC Managers; representatives from Northable, Taikura, DSL, Lifelinks and Access Ability have supported the discussions and a range of suggestions have been put forward around how changes could be made or managed.
- Currently DSS is forecasting a \$90m deficit.
- 4 other projects covering other areas within DSS are in train. Equipment and Modification Services is one of the other key projects nearly ready. Others are still not fully clear yet and need a lot more work before landing on an approach.
- We will make sure NASC are aware of further strategies as they are finalised to ensure cover off any inter-dependencies.
- Savings target for NASC has been set at \$10.5m for this financial year.
- Each NASC will be allocated their portion of the savings based on their annual budget.
- Three drivers demand, price, allocations.
- Residential costs biggest driver and we need to have a focussed strategy around this – provider comms/RPM.
- Need to prioritise areas where NASC can have most impact.
- We are seeking some additional funding to support NASC in the process.
- Communication strategy being developed. Overarching key messages and then specific ones to support NASC.
- Project team is being established to support the budget management initiatives across DSS from within DSS current FTEs.
- NASC should still look at both Community based services where they may be able to have the biggest impact and residential services to ensure individual rates are reviewed and where there' an opportunity to reduce these are achieved.

**We have engaged with the NASCA Project Group seeking advice on how NASC may approach the savings target. Feedback from the group indicated the following areas that may merit some further consideration by NASC when planning to implement budget management strategies:**

### Residential Services

- Review of Day activity funding for those people in residential – IHC Day Activity purchase unit
- Implement a residential waitlist with key criteria for entry to service
- No 'front-loading' of residential support packages when new clients enter service. Funding will be based on assessed need only. If provider requests additional funding this will need to be accompanied by comprehensive evidence to support the need to continue eg clinical reports, incident reports
- Any requests for increase funding due to behavioural challenges must be accompanied with an implementation plan from the provider to manage reducing events through positive behaviour support approach
- Any 3:1 requests will require a clinician approved and signed off restraint protocol
- All increased support packages will be service co-ordinated for a short period after which a second service coordination will be entered returning the funding back to original level. No short

term approvals will remain in place beyond approval period unless the provider produces comprehensive evidence to support the need to continue eg clinical reports, incident reports

- Review of High Cost packages that have been negotiated outside of the Ministry Transparent Pricing Models (TPMs) and reduce back to appropriate funding
- Review of discrete 1:1 allocations and realign with standard practice where possible

## **Community Services**

- Ensure all NASCs are only service co-ordinating 'Set Up Coordination' at the commencement of a Supported Living placement and not at each review
- Review of 'high cost community packages' that are outside of our principled approach with a view to realign with average packages.
- Review of allocations above the highest point on each SPA and reduce back to within SPA – this initiative also requires a review of average and maximum allocation thresholds because PE adjustments have been made through contract rates in the past year
- Ensure SIL is only allocated for supported living and HCSS for HM and PC

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## **Background:**

The Ministry of Health has increased funding to the disability support services sector each year for the last 5 years. This year (2018/19), the disability sector was allocated \$1.268 billion, but the predicted costs will exceed this budget by about \$100 million.

Previously, the Ministry has shifted funding from elsewhere in the health budget to meet the shortfall. This is not an ongoing solution. The Ministry must equitably and sustainably allocate funds across the entire health and disability sector, in accordance with Government priorities and in response to identified needs.

The Ministry is reviewing its options and is identifying a set of actions that will help it realign its disability support services spending to fit within the allocated budget. This will ensure the Ministry is able to deliver the Government's overall priorities for health and disability in line with the funding allocated.

The Ministry must now announce changes it will make to disability support services. This is a difficult message to deliver, especially when the disability sector is publicly calling for even greater investment.

This is an operational matter for the Ministry of Health and therefore appropriate for the Director-General of Health to proactively announce these changes.

The Ministry is proceeding with two priority projects to deliver targeted savings of up to \$20m in the current financial year for long term disabilities support allocated by the Needs Assessment and Service Co-ordination (NASC) agencies and provided by the Equipment and Modification Service (EMS).

## **Key messages:**

The Ministry is committed to providing support for disabled people and their whānau in a fair and equitable way.

Our funding of the disability support services has increased significantly each year and is the largest on record this year at \$1.268 billion, which is \$25 million more than 2017/18. However, costs have increased rapidly in recent years, which means we've overspent each of the past four years.

This increase in costs is due to a range of reasons, such as more people seeking support, more people in our communities with complex needs, availability of more expensive equipment and new technology, increasing expectations of what can be delivered from the system and legislation changes that have increased costs for support staff, including pay equity plus health and safety requirements.

We've worked hard to find efficiencies to manage this increasing demand on funding in previous years, but we've now reached a point where these efficiencies don't meet the growing financial pressure. In the past, we've also shifted funding from elsewhere in the health budget to meet any shortfall.

This year, we predict our budget overrun in disability support services will be far greater than previously and is likely to reach about \$100 million if nothing changes.

It's clear we need to work differently to get the right balance between funding for disability support services and other essential health care and support services.

As a result, the Ministry has needed to consider ways to reduce spending on disability support services in the short and longer term.

These actions will ensure the Ministry is able to deliver the Government's overall priorities for health and disability in line with the funding allocated.

Initially we've focused on two of the largest parts of disability support services to start making immediate changes to reduce the cost overrun. They are the services allocated by Needs Assessment Service Co-ordination (NASC) organisations and Equipment and Modification Services (EMS).

The Ministry acknowledges this may mean changes in some disability supports in the short term, but we will work hard to minimise potential impacts on people using disability support services, their families and carers, as well as service providers.

While we look at the big picture, we have also put some initiatives due to be implemented this year on hold. This is the case with 'I Choose', a new approach to disability respite support that would replace the Carer Support Subsidy.

We believe the current demand-driven funding model for disability support services is now unsustainable and it will need to change long term. Currently, we're trialling a new disability support system approach in the MidCentral region, which we hope will help us to develop a better operating model for disability support services that is equitable, sustainable and provides better outcomes for disabled people and their whanau in the future.

Also, the Health and Disability System Review may make recommendations that will help to improve long term sustainability of disability support services for the future. Its interim report is due with the Minister in August this year and the final report is due in March next year.

#### **NASC budget management approach:**

There are two desired immediate outcomes the Ministry is seeking with respect to long term disabilities support allocated by the Needs Assessment and Service Co-ordination (NASC) agencies.

- 1) Reduce forecast spend by up to \$10m within the current year while ensuring support services continue to be available to all disabled people that need them
- 2) Reduce forecast spend by \$20m per annum to support affordability in the medium term

What the MOH has requested all NASC to do in the short term (now) is:

1. Reduce community based allocations by 10% per annum on average at early review
2. Continue to support new entrants in a way similar to existing support users based on existing eligibility criteria
3. Continue to identify and implement short term interventions that have evidenced medium and long term support reduction
4. Increasingly manage entries to Residential Care by implementing a waiting list
5. An immediate halt on any support package increases until July 2019

Noting

A. Community based support is a focus in the short term allowing:

- Prioritising support to those with the highest needs
- Is the most flexibly allocated and delivered set of services
- Has the shortest timeframe to implement change

- Has the lowest chance of immediate risk to the person
  - Continues to allow the person to have influence over how support may be delivered
  - Ensures one service alone is not targeted
  - Is a lower cost – higher volume service based on the current procurement method
- B. Residential based support clients are unlikely to face immediate reduction however:
- initiatives are designed to keep people in their own home
  - reduce support as people become settled into their environment
  - prioritise how support is delivered to people to bring expenditure within available funding
  - Is a higher cost – lower volume services based on current procurement method
- C. The immediate halt on any support package acknowledges:
- Changes to peoples ongoing support is not sufficient in the short term to ensure the reduction in forecast spend required for the financial year
  - All increases (new and existing clients) in support are being held across the population
  - The need to achieve the best outcome for people within the existing resources
  - Acknowledging the impact for people experiencing a significant change need
  - A need to prioritise support to those with the highest immediate need through an exceptional circumstances process
- D. NASC are best placed to implement the required change in line with DSS principles:
- As such DSS expects NASC to tailor the reductions needed across their local population.
  - This means that nationally expected approaches may hold some variation due to addressing existing regional inequities or balancing regional gaps.
  - Regionally specific initiatives have been submitted by each NASC and DSS will advise where there is agreement.
  - Should the standard approach not be implemented for an individual, it will be treated as an exception and require NASC Managers approval.
- E. The following national approaches are expected:
1. When reducing community based allocations by 10% per annum on average at early review and continuing to support new entrants in a way similar to existing support users based on existing eligibility criteria
    - A comprehensive review will occur for any individual support packages deemed extraordinary based on current NASC practice
    - Prioritisation of support will be given within the home ensuring a person is safe in all cases.
    - If support outside of the home is essential then prioritising the coordination of group or shared support is to occur.
    - Where Household management Or IFHM is allocated a maximum of 3 hours is considered unless there is a case for exceptional circumstances agreed by the NASC manager.
    - Personal care or IFPC is only to be allocated if it is essential for the health or safety of the person. If there is support in place to access the community a case for exceptional circumstances should be agreed by the NASC manager.
    - Remove home based support after the introduction of Equipment or housing modifications.
    - Remove all SL allocations where a person is no longer developing or maintaining skills. In some cases PC or HM may be required instead.

- SL coordination support is only allocated on set up or review and only when additional information or support coordination is needed as part of the set up or review.
  - Where a support package contains a number of different services gain the persons input to best prioritise the services allocated to achieve the required reduction.
2. When managing entries to Residential Care by implementing a waiting list
    - Residential Waiting list prioritisation will be implemented
    - All people with an ICare (or equivalent measure) recorded of less than 20 hours should be considered for SL at a lower total support cost
    - Prioritising support goals within the home, for the person's safety must occur. Should support outside of the home be essential then prioritising the coordination of group or shared support is to be considered.
  3. When approached by people requiring additional support:
    - Determine the level of urgency at referral point
    - Consider the prioritisation guide
    - If a person's situation matches a priority on the guide advise the Ministry and complete the Assessment process
    - As part of the Service Coordination process apply to the Ministry for a package increase as an exception
    - Otherwise refer the person back to their existing service provider to prioritise the existing support in a way that will continue to best met their changing needs
  4. NASC will implement an internal signoff process for any community based package reviews where the reduction is less than 10%.
  5. Should requests be made for increased support due to increased needs existing support will first be prioritised to ensure alignment with national expectations noted above.
  6. NASC will more vigorously explore other mainstream funded support options particularly where a person's support is changing as they age, health or mental health needs.
  7. NASC will prioritise an immediate review should crisis occur as a result of implemented support reductions.
  8. If based on a significant change in need NASC identify a package increase may be essential a case can be made to the Ministry to consider an exception.
  9. Changes in support allocation reporting will be undertaken by the MOH regularly.
  10. Adjustments to the approaches noted above will be made based on the most current data.
- F. Within the current resources the change process implemented through the NASC will include:
- A clear process for engaging people at early review.
  - A clear indication of the services available or the funding available to support the individual at review or early review.
  - A clear set of options for the person to consider when prioritising which services may be available for the funding.
  - A clear explanation why the changes are required. *Higher level and personal level.*
  - A clear process for review should supports be insufficient or the person's safety is becoming compromised.

## Appendix 1. Key considerations

The principles underpinning the approach being taken are:

- Equity – in a fair, consistent way across the population based on support needs
- Dignity and respect – with clear communication, acknowledging the impact any change may have for people
- Allowing choice, control and flexibility over the support in a person's life – offer the most flexible support option with the funding available
- Person-directed – involving the person in the decision about which services best met their needs within the funding available.
- Collaboration and relationships improve outcomes for disabled people – focusing on the best outcomes for the funding available
- Prioritising support to those with the highest needs – considering all needs to the person and prioritising those that mitigate the highest risk to a person's quality of life
- Supported by evidence, information collection, analysis and ongoing review
- Sustainable and affordable funding now and in the future

The key challenges include:

- Growth in the number of disabled people accessing support
- The increasing cost of supporting people in residential care
- Removing support people have built a reliance on
- Expectations of people that benefit from disability supports. People are seeking improved access to their home and community now, when funding is not sufficient or growing at a rate for the cost of support they currently receive into the future.
- Resources to implement package changes – NASC staff, time, process, complaints/reviews

Impacts for people may manifest in different ways:

- Existing residential clients (7,000) – likely slow impact
- Existing community based clients (29,000) – Likely support reduction, prioritising more essential needs, this group is likely to have the highest perceived impact as reliance may have been built on existing support, seen as a cut.
- New clients (500 in current year based on current growth) – potentially lower expectation, improved ability to plan, better opportunity to set expectations based on available information. Although equal needs to those within the system and should not be disadvantaged due to timing of entry.

Further notes for NASC

Overall goal for NASC is to reduce all community based support packages by 10% on average. Taking into account an average utilisation of 80%. It also assumes there is not a significant change in the utilisation factor.

When considering 10% as a factor it is close to 1 in every 10. So 1 hour in every 10 of Home Support services, IF, discrete 1:1, Family Whanau HS and SL hours allocated. 1 day in every 10 Carer Support days and respite days allocated. 1 unit of EIF, EGLPB, CICL and IF respite for every 10 allocated. A similar approach can be taken when completing an iCare and pricing residential care and may also be something NASC consider to inform and support discussions around prioritisation of support in residential care due to funding availability.

For people with an allocation of less than 10 units then the reduction may need to be to the closest unit or half unit depending on how the service is allocated/paid. Eg a person with 8 hours PC per

week and 12 days carer support per annum may result in 7 hours PC and leave CS untouched. As 1 hour reduction in PC is sufficient to remove 10% from the potential annual cost on average. Alternatively you could drop the weekly allocation by 0.5 of an hour and drop CS by 7 days which would give an estimated equivalent savings assuming a reduction in support allocated does not increase the utilisation rate significantly.

A simple funding calculator can be used to support a discussion with the person.

Disability financial sustainability case study

The ministry has looked at some alternative approaches to achieve savings targets

Place holder for table from Darren

### 1.1 Reduce "Weekly" Household Management

Should any weekly HM package over 3 hours be reduced by 10 percent there will be 1623 clients affected and create a saving of \$200,000.00 this financial year. This strategy as a medium to long term saving strategy will have a \$1.3m saving in the financial year 19/20.

This strategy meets all of the guiding principals in the disability services strategic plan as it continues to treat disabled people equally with choice and control in a person centred environment. A 10 percent reduction in support hours of this kind will affect 1623 people minimally.

### 1.2 Reduce 'allocated' household Management

Should any IF HM package over 250 units be reduced by 10 percent there will be 627 clients affected and create a saving of \$100,000.00 this financial year. This strategy as a medium to long term saving will have a \$600,000.00 saving in the financial year 19/20. This strategy is consistent with the guiding principals of the disability services strategic plan as it continues to allow choice and flexibility for clients whilst allowing for affordability in the current system.

### 2.1 Reduce allocation for Carer support

Should all packages of carer support over 26 days be reduced by 10 percent there will be 10,946 clients affected and create a saving of \$400,000.00 this financial year. This strategy as a medium to long term saving will have a \$2.4m saving in the financial year 19/20. This strategy is consistent with the guiding principals of the disability services strategic plan as it continues to allow choice and flexibility for clients whilst allowing for affordability in the current system. All clients who have carer support less than fortnightly will not be affected by this strategy and it will create more equity across allocations.

### 3.1 Reduced weekly SIL

Should any SIL package over 7 hours per week be reduced by 10 percent there will be 1555 clients affected and create a saving of \$600,000.00 this financial year. This strategy as a medium to long term saving will have a \$3.8m saving in the financial year 19/20. This strategy is consistent with the guiding principals of the disability services strategic plan as it continues to allow choice and flexibility for clients whilst allowing for affordability in the current system. Any client who receives less than 1 hour of SIL per day will not be effected by this strategy and this will create more equity across client allocations

#### 5.1 Freeze on New Residential Clients

Should a freeze on any new residential clients be implemented this is projected to effect 18 clients and create a saving of \$300,000.00 this financial year. This strategy as a medium to long term saving will have a \$1.6m saving in the financial year 19/20. This strategy is based on the assumption that residential clients are 'new' to the system which isn't entirely accurate.

This strategy does not meet all of the guiding principals of the disability services strategic plan as it does not allow choice and flexibility or equity for these 18 clients however it will allow the current disability system to return to a more sustainable disability system which will impact on client equity on a greater scale. This strategy would not be recommended as a medium to long term plan.

Risk – 18 Clients who require residential supports will be not supported in the disability system.

#### 5.2 Freeze on New Community Clients

Should a freeze on any new community clients be implemented this is projected to effect 534 clients and create a saving of \$1.1m this financial year. This strategy as a medium to long term saving will have a \$6.6m saving in the financial year 19/20. This strategy is based on the assumption that new clients are not receiving any DSS supports however may be transitioning from other health funded support such as primary care, long term chronic health supports, mental health.

This strategy does not meet all of the guiding principals of the disability services strategic plan as it does not allow choice and flexibility or equity for these 534 clients however it will allow the current disability system to return to a more sustainable disability system which will impact on client equity on a greater scale. This strategy would not be recommended as a medium to long term plan.

Risk – 534 Clients who require DSS supports will be not supported in the disability system which may have greater impact on their families and whanau and the wider health system.

#### 6.1 Freeze on Allocation package increases for existing Residential Clients

Should a freeze on any package increases for Residential clients be implemented this is projected to effect 7097 clients and create a saving of \$2.1m this financial year. This strategy as a medium to long term saving will have a \$9.9m saving in the financial year 19/20. This strategy is based on the assumption that the clients would remain in their current residential placement however clients who have a change in support need without an increase in support in some cases residential providers may exit clients leaving them unsupported.

This strategy does not meet all of the guiding principals of the disability services strategic plan as it may not be person centred support for these 7097 clients however it will allow the current disability system to return to a more sustainable disability system which will

impact on client equity on a greater scale. This strategy would not be recommended as a medium to long term plan.

Risk – 7097 Clients who may have an increase in support needs could potentially be exited by providers leaving them without DSS supports.

6.1 Freeze on Allocation package increases for existing community Clients

Should a freeze on any package increases for community clients be implemented this is projected to effect 29,018 clients and create a saving of \$3m this financial year. This strategy as a medium to long term saving will have a \$14.4m saving in the financial year 19/20. This strategy is based on the assumption that the clients would maintain their existing support package however clients who have a change in support need without an increase in support may be left with some needs not being met

This strategy does not meet all of the guiding principals of the disability services strategic plan as it may not be person centred support for these 29,018 clients however it will allow the current disability system to return to a more sustainable disability system which will impact on client equity on a greater scale. This strategy would not be recommended as a medium to long term plan.

Risk –29,018 Clients who may have an increase in support needs may not have allocations to support their DSS needs

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## Appendix 2 Residential waiting list prioritisation

### Guidelines for Wait listing

It may be necessary for NASCs to waitlist some funding package changes if they are unaffordable at the time of assessment. There will need to be judgment exercised by the NASC Manager supported by the CRM, in waitlisting new funding. However, there are some 'categories' of clients which the Ministry can provide some guidance on in the interests of consistency. These are outlined in the table below.

<b>Guideline</b>	<b>Waitlist?</b>
The most important consideration is client safety. NASC Manager and CRM must assure themselves that a client's safety will not be compromised by a decision to waitlist the implementation of a higher residential rate.	No
Clients in aged residential care facilities, requiring a move from resthome setting to continuing care setting.	No
Residential clients transferring from other regions will be given priority in finding a new residential placement.	No
Clients being discharged from AT&R, Mental Health inpatient services etc who need residential care.	No
New clients wishing to enter residential care for the first time will be automatically waitlisted.	Yes
Where a provider has already received significant funding increases in the past year either through reassessments or contract rate changes, then increased rates for clients with these providers could be a lower priority than for other providers, all other things being equal.	Yes

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## Appendix 3 Savings targets by NASC

NASC region	To June 2019	Annualised savings target - ongoing supports
Access Ability Taranaki	290,041	580,082
Access Ability Otago/Southland	752,441	1,504,883
Access Ability Wanganui	146,263	292,525
Options Hawkes Bay	481,191	962,382
Capital support	473,980	947,960
Support Works	426,650	853,301
DSL	925,026	1,850,052
Focus	104,588	209,176
Lifelinks	1,427,366	2,854,732
Life Unlimited Hutt	383,557	767,114
Life Unlimited Tairāwhiti	88,474	176,948
Taikura	2,715,349	5,430,698
Northable	434,571	869,141
Supportnet	714,089	1,428,177
Mana Whaikaha	636,414	1,272,828
	10,000,000	20,000,000

NASC discussion 1/2/2019 re budget management initiatives

Present – MOH - Phil, Toni, Cameron, Gemma, Chris, Doug. NASCA Jan White, Reps from all NASC except OHB and Mana Whaikaha.

- Phil gave an overview of the current situation and what we would like NASC to achieve.
- Noted \$10m by end of financial year. Best we can by 30 June 2019.
- Allocate target across NASC based on annual budget.
- Ensuring one group alone is not impacted.
- Forecast deficit of around \$90m nationally.
- Noted other areas being targeted as well.
- Phil talked about the Residential services and the Community based services and the ability to impact each.
- Need to look at both Residential and Community but acknowledge biggest impact NASC likely to make initially is in the community area.
- Phil noted the wider sustainability plan and staff introduced to support the work which have been reprioritised from with the DSS team.
- Phil asked for a plan from each NASC about how they will look to address the matter at hand by Friday 8 Feb.

Opened to meeting for comment/questions.

What's coming out setting the scene?

Communications strategy being developed to be clear that approach is being directed by MOH. Levels of communication – high level across sector. Then detailed comms around each of the 5 project plans.

Noted that talking about up to June 2019 but there is a need for this to continue into the next year and beyond. So need to think Short – medium – Long term.

When should NASC be engaging – do we need to wait for annual review?

No, now should be targeted and prioritised over this period of time where gains may be able to be made.

Question is SPA a good benchmark? Acknowledged some changes may be needed to update for PE pricing but it is equitable across all clients so we shouldn't need to adjust for this exercise alone.

How will we deal with increasing client load as this is a significant driver of increasing costs? Acknowledged but at present we won't be changing eligibility. May need some thresholds and the MOH may need to consider this further. Noted ASD and child development referrals with ASD are noted as a big driver of new referrals.

What about I-Choose? This is something we will likely delay. But yet to be fully confirmed.

What about System Transformation? Separate approach but same messages need to be given to sector so important they are part of this.

Reviews – can NASC do short term rollovers to allow focus on priority areas? This needs to be considered client by client but the answer is Yes generally as a short term measure.

How soon can MOH get the communications out? Being worked on now and this needs to be ready to go before things start happening on the ground.

Will letter go out to effected clients? On MOH letter head – would be a standard comms that could accompany the new service coordination where changes have occurred due to funding prioritisation.

Socrates needs to be updated to support this. Noted that would not be possible in the timeframe. DSL noted that rollout of 2 year reviews and a draft letter to support rollover reviews which may help. With NASCA for comment before put into Socrates.

How do we measure what we save? The MOH are developing some more reporting based on allocations. To show changes over time – likely monthly. This will help give NASC evidence to support actions and information to explain how things are developing. To ensure we capture changes as soon possible service co-ordinations need to be entered into Socrates as quickly as possible when changes are made.

What's the MOH position on creating new services in this environment? Issue that we can find residential services so not necessarily the service availability its more about determining the most cost effective option, and prioritised including on bets value for money. So issue is more about provider demands when a person enters the service.

NASC – so can MOH messages be more focused on provider behaviour and NASC being targeted when a person needs to enter Residential care? Noted work being done currently by NASC to ensure only people that need residential are prioritised.

What about resources? The Ministry will look to support as best it can with additional resources but this limited based on the current environment. Reprioritising internal resources is the first option - please include any additional resources.

When will the amounts of money each NASC must be saved? Coming within week.

## Other Points raised

- Advised that we will send out notes from focus group meetings the MOH has been having with NASCA. NASC Managers may want to get together to share ideas around approach to achieve the savings
- Thinking about savings plan implementation with 2 weeks. But other projects are likely to be delayed due to additional actions. Requires final signoff. But NASC should

start the planning and get the plan together and sent in to the MOH – Phil.  
Timeframe – within two weeks but preferable by end of next week.

- Pressure from OT around children and expectations of moving people to residential at 17 years old? Messages needed for them.
- Need to address BSS waiting list as this is driving up community based services? We need the evidence to show that BSS is actually reducing need for this project.
- Noted ability of NASC to make rollover reviews is not a simple as saying it can be done. Socrates doesn't support this well. Toni asked for issues to be noted in plan to come in.

**Please keep conversation to NASC at this time as there needs to be lead comms to sector before action starts.**

## Actions

<b>ACTION</b>	<b>WHO</b>	<b>BY WHEN</b>
Plan from each NASC on approach being taken to achieve savings	NASC	8 Feb
Support to help NASC – include requirements in plan, indicating what support is needed and MOH will consider nationally around what might be an equitable way to go.	NASC	8 Feb
MOH confirm approval to Go-live	MOH	Week of 4 Feb
Savings by NASC communicated	MOH	8 Feb
Ministry to forward notes from Focus Group meetings to NASCA Chair	MOH	4 Feb
NASC Managers may consider getting together to share ideas around approach to achieve the savings	NASCs	Week beginning 4 Feb