

Template 1: Budget Initiative template

Overview and context

Key Question/area	Comment/answer
Agency to complete	
Portfolio of lead Minister	Minister of Health (Hon Dr David Clark) Associate Minister of Health (Hon Jenny Salesa)
Portfolio(s) of other Ministers involved (if this is a joint initiative)	N/A
Votes impacted	Vote Health
Initiative title	Increasing Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund
Initiative description	<i>Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund</i> (the Innovation Fund) supports Māori health providers to design, develop, deliver, evaluate and spread innovative health services that work towards achieving pae ora (healthy futures for Māori). This Budget initiative will increase the value of the Innovation Fund to support more Māori health providers, at a greater level, to trial and evaluate innovative models of health care. Increasing the Innovation Fund will also enable the spread and scaling of more Māori health innovations with evidence of effectiveness.
Type of initiative	Priority aligning
If this initiative relates to a priority, please outline the specific priority/ies it contributes to	This initiative aligns with the following three Government priorities: <ol style="list-style-type: none"> Reducing child poverty and improving child wellbeing, including addressing family violence; Supporting mental wellbeing for all New Zealanders, with a special focus on under 24s. Lifting Māori and Pacific incomes, skills and opportunities;
Does this initiative relate to a commitment in the Coalition Agreement, Confidence and Supply Agreement, or the Speech from the Throne?	No
Agency contact	Name: Alison Thom Agency: Ministry of Health Email: Alison_thom@moh.govt.nz Phone: 04 495 4402, s 9(2)(a)
Responsible Vote Analyst	

Funding

Funding Sought (\$m)	2018/19 ¹	2019/20	2020/21	2021/22	2022/23 & outyears ²	TOTAL
Operating		s				

No capital is sought through this initiative

¹ If there is no funding required in 2018/19, then please delete this column

² If funding is time-limited and does not carry on into out-years please delete the reference to "& outyears"

1. Executive Summary

1.1 EXECUTIVE SUMMARY

A. Short summary of the proposed initiative and expected outcomes.

This Budget initiative seeks **59(2)(f)** over four years to increase *Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund* (the Innovation Fund)³ to support more Māori health providers, at a greater level, to trial, evaluate and spread innovative whānau-centred models of health care and approaches to health service delivery.

Established in 2009, the Innovation Fund currently provides \$20 million over a four year cycle to support Māori innovation in health. The two stage Māori health 'Innovation Chain' of investment includes:

1. **Te Kākano (seeding innovation)** – funding for scoping, designing, developing, implementing and evaluating innovative services and models of care.
2. **Te Ruinga (spreading innovation)** – funding for building on the successes of Te Kākano pilots by spreading or adapting innovations with emerging evidence of effectiveness regionally or nationally.

By increasing investment in Māori innovation, this Budget initiative aims to:

- advance Māori approaches that improve Māori health outcomes
- promote Māori service delivery systems that value health and social service collaboration and employ whānau centred interventions
- increase the appropriateness and effectiveness of service models that address the needs of whānau, hapū, iwi and Māori communities
- improve the physical, spiritual, mental and emotional health of whānau.

This Budget initiative will support the Government to deliver on its priorities of “reducing child poverty and improving child wellbeing, including addressing family violence”, “supporting mental wellbeing for all New Zealanders, with a special focus on under 24s” and “lifting Māori and Pacific incomes, skills and opportunities”.

³ <https://www.health.govt.nz/our-work/populations/Māori-health/Māori-health-providers/te-ao-auahatanga-hauora-Māori-Māori-health-innovation-fund-2018-2022>

2. The Investment Proposal

2.1 Description of the initiative and problem definition	
<p>What is this initiative seeking funding for?</p>	<p>Increasing the Māori Health Innovation Fund</p> <p>This Budget initiative seeks to increase <i>Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund</i> (the Innovation Fund) by \$9(2) per year. Increasing the Innovation Fund will allow the Ministry of Health to fund additional Māori health providers, at a higher level, to:</p> <ol style="list-style-type: none"> 1. scope, design, develop, implement and evaluate innovative services and models of care with the aim of improving the health system’s responsiveness to Māori (Te Kākano, seeding innovation) 2. build on successes of Te Kākano pilots by spreading or adapting a selection of new models with emerging evidence of effectiveness regionally or nationally (Te Ruinga, spreading proven innovations). <p>A non-prescriptive procurement approach will support the purchase of initiatives that are determined by the Māori health sector and the Māori communities it serves. All initiatives will be required to:</p> <ul style="list-style-type: none"> - work to improve the health of the most under-served and at-risk Māori populations; - aim to address the needs of a particular Māori sub-population e.g. tamariki (children), rangatahi (youth), pregnant women, whānau living with violence, Māori with mental health and addiction issues; - target health issues that are of particular concern for Māori e.g. Sudden Unexpected Death in Infancy (SUDI), rheumatic fever, obesity, CVD/diabetes, healthy housing; - address the broader determinants that impact on health, particularly socio-economic conditions, housing, education and culture; - configure, integrate and/or coordinate services so that they are more responsive to Māori individuals and whānau. <p>Increasing the Innovation Fund will:</p> <ul style="list-style-type: none"> - empower Māori health providers and the Māori communities they serve to test and advance their own positive Māori health models; - increase the effectiveness of holistic Māori health and social service collaboration models that are centred around the needs of whānau; - strengthen health and social service collaboration to ensure the whole system is working together to meet needs and aspirations of Māori through the spreading and scaling of successful innovations; - improve the physical, spiritual, mental and emotional wellbeing of Māori individuals, whānau and communities; - strengthen the evidence base for what service models are effective for whānau, hapū, iwi and Māori communities.
<p>Why is it required?</p>	<p>Māori experience unmet health needs and inequitable health outcomes</p> <p>We know that the health system is not presently serving the needs of all New Zealanders to the same extent, and that Māori in particular do not enjoy the same health outcomes as other New Zealanders. Māori males born from 2012–2014 had a life expectancy at birth that was 7.3 years below that of non-Māori males born over the same period. For Māori females in this age group, life expectancy was 6.8 years below that for non-Māori females (Statistics New Zealand 2017).</p> <p>Inequity is also apparent in the higher rates of many health conditions and chronic diseases, including cancer, diabetes, cardiovascular disease and asthma. These inequities are even greater for younger Māori, particularly Māori children. When compared to the total New Zealand population, Māori have higher rates of risk factors to health loss including being overweight, having an unhealthy diet, tobacco use, high blood pressure, and alcohol and other drug use.</p> <p>The health system is not responding effectively to Māori health needs</p>

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Māori also have higher levels of unmet need. Māori are 1.4 times more likely to have unmet need for primary health care compared to non-Māori. This has a flow on effect where Māori hospitalisation rates are 1.5 times higher than non-Māori. Some of the barriers Māori face when engaging with the health system include:

- **Affordability** – in 2017/18 Māori adults were 1.5 times as likely as non-Māori adults to not visit a GP due to cost, after adjusting for age and sex differences (New Zealand Health Survey, 2017/18);
- **Appropriateness** – 10% of Māori patients are less likely to have confidence and trust in their GPs compared to non-Māori. If people are confident in the care they receive, this means they feel that they have been treated with dignity and respect.
- **Availability** – service location is also a barrier for New Zealanders that live rurally, including many Māori.

Māori health providers are well placed to develop innovative services but need support

There are around 250 Māori health providers throughout the country. Māori health providers are particularly well placed to develop and deliver innovative services that are responsive to Māori. Māori health providers are often well connected to the Māori communities they serve compared with non-Māori, providers⁴ and often deliver services in an integrated way, with models of care that put individuals and whānau at the centre. However, current health service contracts with the Ministry of Health, DHBs and PHOs do not typically support Māori health providers to the level required to develop and test innovative models of care that meet the unique and often complex needs of their Māori customers.

This is an opportunity to invest more in innovative services that improve Māori health

The Innovation Fund currently provides \$20 million over 4 years (\$5 million per year) to support Māori health innovation. In 2018, there were 61 applicants to the Innovation Fund of which 15 (25%) will receive Te Kākano (seeding innovation) funding.

There is an opportunity to increase the Innovation Fund to support a greater proportion of Māori health providers, at a greater level. Enabling Māori participation in the health and disability system will ensure that Māori needs and perspectives are taken into account so that services are appropriate and effective for Māori. There is also an opportunity to support Māori health providers to work beyond organisational boundaries and scope, design, implement and evaluate innovative services and models of care in collaboration with other parts of the health sector (such as DHBs, PHOs and other health providers), as well as with other agencies across sectors, to improve the quality of services and the timeliness of access to services for Māori.

Counterfactual

If this initiative is not progressed, unmet health needs for Māori may remain at the current level. If a range of culturally appropriate primary health services are not made available to Māori, this population will likely continue to experience barriers to accessing services when they need to. Māori with unmet health needs may experience escalation in illness and poorer educational and employment outcomes. This will be a missed opportunity to provide appropriate and timely health to prevent more costly health care in the long-term.

2.2 Options analysis and fit with existing activity

⁴ Report on the Performance of General Practices in Whānau Ora Collectives

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<p>What other options were considered in addressing the problem or opportunity?</p>	<p>There are several reviews and inquiries underway currently or imminently that will ensure the Health and Disability System is better placed to respond to the needs of all New Zealanders, including Māori.</p> <ul style="list-style-type: none"> - The New Zealand Health and Disability System Review, initiated by the Minister of Health in 2018, 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, particularly Māori and Pacific peoples. The review will include recommendations on improvements to the quality, effectiveness and efficiency of the system, including funding arrangements. The review panel will issue an interim report to the Minister of Health no later than 30 August 2019. - The Health Services and Outcomes Kaupapa Inquiry (Wai 2575), initiated by the Waitangi Tribunal in November 2016, is inquiring into over 200 claims concerning grievances relating to health services and outcomes and which are of national significance. The Inquiry is complex and the process may take 5-10 years to complete. The Ministry of Health is interested in a proactive Inquiry that will inform future policy development to improve health services and outcomes for Māori, and to support Māori participation in the health sector. <p>These reviews may recommend alternative options for addressing health system responsiveness to Māori that could provide better support for innovation in service mix/design and increased investment in Māori models of care. However, recommendations are not likely to be implemented in the short- to medium-term. Therefore, this Budget initiative is the recommended option as it is an increase to an existing fund so will not require time for establishment and thus will allow for the problems identified to be addressed in the short- to medium-term.</p>
<p>What other similar initiatives or services are currently being delivered?</p>	<ul style="list-style-type: none"> - The Ministry of Health's Health Workforce Development Fund invests up to \$10 million per year in innovative workforce development initiatives and participatory models of health care to respond to the current and future demands on the health system. The health workforce development fund is open to all health service providers. - The Government's Child and Youth Wellbeing Strategy, led by Department of Prime Minister and Cabinet (DPMC) will be published in 2019. The Ministry of Health is supporting DPMC to lead continuous improvement of the health system in areas that support the health and development of infants, children and youth. The Ministry of Health funds a range of health services that are targeted at children and their whānau, such as the Well Child Tamariki Ora programme, before school checks and immunisation outreach services. - Some DHBs fund Māori models of health care, such as whānau ora, with the objective to achieve health equity for their populations, however investment is inconsistent across districts.
<p>What other, non-spending arrangements in pursuit of the same objective are also in place, or have been proposed?</p>	<ul style="list-style-type: none"> - The Ministry of Health is implementing the Whānau Ora Outcomes Framework to achieve accelerated progress towards health equity for Māori, by requiring DHBs to have a heightened focus on progress in five key areas that contribute to whānau ora - mental health, asthma, oral health, obesity and tobacco in the next four years. The Whānau Ora Outcomes Framework helps guide government agencies in policy, planning and investment decisions aimed at improving outcomes for whānau. - The Ministry of Health expects that achieving health equity is a focus for all DHBs and DHBs are expected to consider and include actions in their Annual Plans that will help them to achieve health equity for all of their populations, including Māori.

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<p>Strategic alignment and Government's priorities/direction</p>	<p>Improving child wellbeing</p> <p>This Budget initiative is strongly aligned with the Government's priority for 'Reducing child poverty and improving child wellbeing, including addressing family violence.' As outlined in the <i>Māori Health Innovation Fund: Fund Guidelines 2018</i>, a key priority of the Innovation Fund for 2018 – 2022 is 'Tikanga ā Tamariki Mokopuna: Child Health and Wellbeing'⁵. By increasing funding for Māori health innovations with a focus on child health and wellbeing, this Budget initiative will support the Government to improve the wellbeing of some of New Zealand's children most at-risk of having poor health care access and poor health outcomes. <i>Appendix one: Evidence of successful innovations funded by Te Ao Auahatanga Hauora Māori</i> outlines some of the Māori health innovations that have been effective in improving child wellbeing. By increasing the Innovation Fund, the Ministry of Health will be able to invest additional funding in similar initiatives and/or spread and scale-up successful child wellbeing innovations.</p> <p>Supporting mental wellbeing for all New Zealanders</p> <p>Other key priorities outlined in the <i>Māori Health Innovation Fund: Fund Guidelines 2018</i> include: equity; primary health care; and mental health. Increasing funding for Māori health innovations with a focus on improving mental health will support the Government in achieving its priority of 'Supporting mental wellbeing for all New Zealanders'. In addition, the Innovation Fund's focus on children will support the Government's specific focus on under 24's with mental health issues.</p> <p>Lifting Māori incomes, skills and opportunities</p> <p>The Innovation Fund is about challenging the sector to take account of the wider issues affecting the health and wellbeing of Māori, and the need to design responsive services that recognise the interconnectedness of health education, housing, justice, welfare, employment and lifestyle elements of whānau wellbeing. This focus will support the Government to work towards its priority of 'Lifting Māori incomes, skills and opportunities'. In addition, improvements in Māori health may also lead to improvements in other areas and vice versa. For example, higher educational achievement and good-quality employment often improve health outcomes. Poor health can also adversely affect people's education and employment opportunities.</p> <p>The Minister of Health's priorities for the health and disability system</p> <p>In addition to the Innovation Fund's alignment to the Government's Budget priorities, the wider Health and Disability system is committed to give effect to the Government's vision to support "healthier, safer, more connected communities" and "make New Zealand the best place in the world to be a child", the health and disability system is focused on the following priorities:</p> <ul style="list-style-type: none"> - a strong and equitable public health and disability system - mental health and addiction - child wellbeing - primary health care and prevention (source: Ministry of Health Output Plan 2018/19). <p>The Innovation Fund is, and will remain, strongly aligned to these health and disability sector priorities. This is evidenced in the <i>Māori Health Innovation Fund: Fund Guidelines 2018</i>.</p>
<p>2.3 Outcomes</p>	
<p>Overall outcomes expected from this initiative</p>	<p>Improved 'health', 'cultural identity' and 'knowledge and skills' wellbeing domains</p> <p>In the short-term all Māori children and adults using innovation health services by Māori health providers will likely experience more culturally and clinically responsive services and thus improved 'health' and 'cultural identity' wellbeing domains. They may also experience improved 'knowledge and skills' from the wellbeing domain through receiving more holistic and personalised health care that changes the perceptions, behaviours and attitudes towards achieving a healthier</p>

⁵ <https://www.health.govt.nz/our-work/populations/Māori-health/Māori-health-providers/te-ao-auahatanga-hauora-Māori-Māori-health-innovation-fund-2018-2022>

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	<p>lifestyle. In turn, this initiative has the potential to improve the 'jobs and earning' wellbeing domain through avoiding lost work and productivity due to illness.</p> <p>The expected long-term impact of this initiative on all Māori children and adults using innovation health services is pae ora (healthy futures for Māori).</p> <p>Increased 'human capital'</p> <p>Improved 'health', 'cultural identity' and 'knowledge and skills' for Māori will contribute to their ability to participate in work, study, recreation, and in society more generally, including Te Ao Māori (the Māori world).</p> <p>Increased 'social capital'</p> <p>In the short-term there will also be an increase in 'social capital' as a result of this initiative as the connections between Māori whānau, hapu, iwi and communities (including Māori health providers) are strengthened through engaging with whānau-centred health services.</p> <p>Crown-Māori relationships will also be strengthened as a result of Crown investment in and partnership with Māori health providers.</p>
2.4 Implementation, Monitoring and Evaluation ⁶	
How will the initiative be delivered?	<p>Market procurement</p> <p>The Innovation Fund procurement process is managed by the Ministry of Health. Under the Te Kākano (seeding innovation) category procurement is by tender on the Government Electronic Tender (GETS) website every four years. The market is informed about the Innovation Fund through the Innovation Fund Guidelines that outline the Innovation Funding parameters, overarching aims, key objectives and Fund priorities. Funding under Te Ruinga (spreading proven innovations) is decided and contracted by the Ministry of Health based on evidence of effectiveness following the evaluation of Te Kākano initiatives.</p> <p>Fund administration</p> <p>The Ministry of Health's Māori Health Service Improvement team has an allocated resource of 2.8 FTE to the administration of the Innovation Fund.</p> <p>Initiative delivery</p> <p>Delivery of the innovation initiatives is by successful applicants to the Innovation Fund (eligible Māori health providers) contracts for the design, development, implementation and evaluation of Te Kākano/seeding innovation programme pilots over a 3 to 4 year funding cycle. Around the 2.5-3 year mark and based on evidence of successful pilots the Te Ruinga/spreading innovation phase is then established.</p> <p>Implementation Risk</p> <p>With all service contracts, and innovation contracts particularly, there is a risk of poor or non-performance against contract requirements by the contracted provider. Ministry of Health contract managers and independent initiative evaluators work with the service providers early on to mitigate this risk. A phased approach to contracting and funding service providers also allows for discontinuation of funding to non-compliant or non-performing service providers.</p>
How will the implementation of the initiative be monitored?	<p>The Innovation Fund contracts includes performance measures developed using the Results Based Accountability (RBA) methodology. All Māori health providers must report on the progress of their initiative as part of contractual requirements. At a minimum, progress reporting is required each quarter that captures the following information:</p> <ul style="list-style-type: none"> - how much did we do?

⁶ This doesn't necessarily have to include a full implementation and evaluation plan, however the information provided must provide confidence that the proposal will be successfully delivered and there is a plan to ensure that the outcomes described are actually achieved.

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	<ul style="list-style-type: none"> - how well did we do it? - is anyone better off? - a narrative description of progress implementing the project (including supporting data) - any failure to achieve, or threats to achieving project milestones including the reasons why and strategies to remedy and/or mitigate - issues arising in the delivery of the project, and other matters - a financial report against the project budget.
<p>Describe how the initiative will be evaluated</p>	<p>Evaluation of innovation initiatives</p> <p>Funding for Te Kāhano includes staged funding for subcontracting an external qualified Evaluator to undertake a formative, process and outcomes evaluation of the innovation as it progresses over the four year contract period. Findings from the evaluation will provide evidence of service effectiveness.</p> <p>It is expected that approximately 10% of the annual contract value is allocated to the evaluation of the initiative (e.g. a \$200,000 contract will allocate \$20,000 to evaluation).</p> <p>The Evaluator must:</p> <ul style="list-style-type: none"> - be external to the provider's organisation - have substantial experience of working with Māori health providers - hold a recognised evaluation qualification and/or be a member of a professional evaluation body - have substantial experience of undertaking and completing formative, process and outcomes evaluations. <p>1. <u>Formative evaluation</u></p> <p>This component is conducted during the initial phases of design and development of the innovation. The Provider and the Evaluator will work closely together to develop an agreed Programme Logic Model, including identification of Key Evaluation Questions.</p> <p>2. <u>Process evaluation</u></p> <p>A process evaluation will also be undertaken, describing how the programme is being implemented, how it is working and what is working well. This may include measures against any planned short-term or intermediate outcomes.</p> <p>3. <u>Outcome evaluation</u></p> <p>An outcome evaluation is undertaken to determine the overall effectiveness of an initiative and whether it will be progressed to the second stage Te Ruinga (spreading innovation). A key deliverable is a final evaluation report completed by the Evaluator/s and submitted to the Ministry of Health. It is expected that final evaluation reports will be of a high standard and published on the Ministry of Health website.</p> <p>Evaluation of the Innovation Fund overall</p> <p>Successful applicants must also agree to participate in any evaluation that the Ministry of Health undertakes of the Innovation Fund overall.</p> <p>In 2013, a desktop review was undertaken to evaluate the Innovation Fund to determine whether the innovations met the Innovation Fund objectives. The review synthesised the innovations' evaluation reports, monitoring reports and other Ministry of Health information.</p> <p>In 2017, an analysis of <i>Te Kāhano: Seeding Innovation 2013–2017</i> was completed for the Ministry of Health by Brown Research Ltd. This report gives insight into a range of innovative models of service delivery trialled between 2013 and 2017. It draws upon the innovation stories and illustrates</p>

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themes of success across the 22 initiatives and discusses alignment to the Innovation Fund objectives, its overall aim and priorities.

A summary analysis of all the individual initiative evaluations funded from the Innovation Fund 2018 – 2022 will be completed by 2021.

3. Wellbeing Impacts and Analysis

3.1 Wellbeing domains – People's experience of wellbeing over time

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3.1 Wellbeing domains – People’s experience of wellbeing over time

Each innovation initiative funded through *Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund* will have different impacts, target populations and a different evidence-base.

Domains List domains, using the key above, where there is an impact. Order domains by magnitude of impact, i.e. largest impact domain first ⁷ .	Impact(s) description Identify the impacts, with a separate line for each impact relating to a specific domain <i>Note you can identify multiple impacts for a particular domain. Delete/add rows as needed.</i>	Who are affected? Individuals/families/government/etc? Be as specific as possible. Are there distributional differences?	Magnitude of impact Relative to the counterfactual key assumptions, quantified to extent possible, and where possible monetised	How big? High/ Moderate/ Low, or where possible present value	Realised in <5 / 5-10 / 10+ years	Evidence base Nature of evidence and key references	Evidence quality High/ Medium/ Low
Primary: Health  Primary	QALY gains	Māori children and adults with unmet health needs	Potential QALY gains, based on early detection and treatment of illness and improved patient health literacy for Māori accessing the innovation services. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Moderate (not monetised)	<5 years ongoing	The evidence-base will be different for each innovation initiative. The summative evaluation of Te Kākano 2013-2017 Innovations shows significant health improvements for whānau, hapū, iwi and other Māori communities. Māori health providers also built networks that supported whānau to meet immediate and pressing needs quickly and ensure they were guided, connected and resourced on their journeys towards achieving their longer-term health and wellbeing aspirations.	Low
	Fewer hospital visits	Government – District Health Boards	Potential reduction in hospital visits as a result of Māori accessing culturally appropriate services in the community. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Moderate (not monetised)	<5 years ongoing		Medium
	More GP visits (negative short-term impact)	Government – GPs / primary care	In 2017/18, more than 23% of Māori adults and 3.6% of Māori children had not visited a GP due to cost (New Zealand Health Survey, 2017/18). Innovation initiatives that make health services more affordable and accessible for Māori have the potential to increase access to GP/primary care services by Māori. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Moderate (not monetised)	<5 years ongoing		Medium
Cultural identity  Primary	Health service providers have the capacity and capability to develop and deliver effective health services for their Māori customers.	Government – (Māori health providers + potential to spread to other health providers)	In 2018, 15 of the 61 (25%) applicants to the Innovation Fund will receive innovation funding. Increasing the Innovation Fund by s 9(2)(f) per year has the potential to either result in a 70% increase in the number of Māori health providers that can access funding to deliver innovative health services. <i>or</i> A 62% increase in funding available to the same number of providers deliver and spread innovative health services.	High (not monetised)	<5 years ongoing		Medium

⁷ Please note that in CFISnet, you will need to include the primary domain impacted, and up to two secondary domains impacted by the initiative. You can include as many domains as relevant in this table.

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	Māori have increased options for accessing health services that are culturally appropriate and responsive to their needs.	Māori children and adults with unmet health needs	Evidence shows that 10% of Māori patients are less likely to have confidence and trust in their GPs compared to others. Increased cultural appropriateness of health services may provide Māori accessing health services with a stronger sense of identity, belonging and ability to be oneself. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Moderate (not monetised)	<5 years ongoing		Medium
Knowledge and skills  Secondary	Changed perceptions, behaviours and attitudes towards achieving a healthier lifestyle.	Māori adults and children accessing innovative Māori health services	The nature and service delivery of innovation initiatives funded have the potential to improve customer engagement with their own health and lifestyle improvement and increase their health literacy. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Low (not monetised)	<5 years ongoing		Low
Jobs and earnings  Secondary	Avoided lost work and productivity.	Māori adults and children with unmet health needs.	Māori adults with unmet health needs may experience escalation in physical and mental illness and poorer educational and employment outcomes. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Low (not monetised)	5-10 years		Low
Civic engagement and governance 	Costs of initiative for vaccinations.	Government – primary health sector	Vaccinate 80% of 60,000 six year olds, \$100 per vaccination. Assume 20% not vaccinated. Assume constant 60,000 children each year across 50 years. Magnitude of impact will depend on the type and effectiveness of the innovation initiative.	Moderate (not monetised)	<5 years ongoing		Medium

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3.2 Wellbeing capitals – Sustainability for future wellbeing

Wellbeing capitals See table below

 Capitals	Describe the impact and its magnitude	Realised in <5 / 5-10 / 10+ years
Financial/Physical	Maintain – this initiative does not directly impact physical and financial capital. Some Māori health providers may utilise existing physical capital (e.g. medical equipment) to support the delivery of innovative services.	n/a
Human	Increase – this initiative is focused on improving individual and whānau health by delivering culturally appropriate innovative health services to Māori. This helps to build the stock of human capital by increasing the quality of life for an individual, reducing hospital visits and sickness and promoting productivity.	<5 years as the impact of primary health care services can be immediate to short term
Natural	Maintain – this initiative has no impact on natural capital.	n/a
Social	Increase – as the connections between Māori whānau, hapu, iwi and communities (including Māori health providers) are strengthened through engaging with whānau-centred health services. Crown-Māori relationships will be strengthened as a result of Crown investment in Māori health providers.	<5 years (the lifespan of the contract)

3.3 Risk and resilience narrative

Does the initiative respond to or build resilience?

Yes. This initiative increases the capacity and capability of Māori health providers and the wider health and disability system to deliver services that are appropriate for Māori. These services will support Māori to reduce the risk factors for poor health such as having an unhealthy diet, tobacco use, and alcohol and other drug use. By investing in innovative services that place Māori at the centre of their health care Māori communities (both health providers and customers) are supported to build their capacity to recover quickly from difficulties, such as illness, and maintain and improve their health and wellbeing. This resilience will contribute towards achieving pae ora (healthy futures) – the Government’s vision for Māori health.

4. Costing understanding and options

4.1 Detailed funding breakdown

Please provide a breakdown of the costs of this initiative

The operating costs of the Innovation Fund are split in the table below. This table is indicative only given the diversity of innovation services likely to be funded by the Innovation Fund.

Yeah thats

The Innovation Fund is primarily for scoping, designing, delivering, evaluating (Te Kākano) and spreading (Te Ruinga) innovative models of care or service delivery approaches. It does not provide funding for research, IT development, organisational development or workforce development.

Option 1: Increasing Te Ao Auahatanga Hauora Māori: Māori Health Innovation Fund by ██████████

(\$m)	2018/19	2019/20	2020/21	2021/22	2022/23
Category 1: Te Kākano (seeding innovation)	-	██████	██████	██████	██████
Category 2: Te Ruinga (spreading proven innovations)	-	-	-	██████	██████
Evaluation	-	██████	██████	██████	██████
Total	-	██████	██████	██████	██████

Note: the Ministry of Health identifies successful Te Kākano initiatives eligible for Te Ruinga (spreading proven innovations) funding after 2 to 3 years of scoping, designing and implementation. At this point in the initiative cycle there is usually sufficient evidence available of initiate effectiveness or ineffectiveness.

The operating costs assume that:

- fund administration (procurement and contract management) costs will be met by the Ministry of Health's current Māori Health Service Improvement Team FTE resource
- the Ministry of Health will be able to commence another tender process for Te Kākano in 2019 (or increase funding under the Te Ruinga category)
- the number of eligible applications to the Innovation Fund remain at the current level (or increase) and the Ministry of Health is able to contract additional Māori health providers to deliver innovation initiatives
- the types of applicants to the Innovation Fund will be consistent with previous years i.e. the cost of scoping, designing, implementing and evaluating an innovation initiative are consistent.

The risks and uncertainties around these costings arise from the assumptions used to make them. They are:

- other demands on the Māori Health Service Improvement Team may mean a larger number of contracts to manage is not manageable. We have assumed no additional cost for the administration of the Innovation Fund based on the current 2.6 FTE allocation
- the timing of additional funding in 2019/20 does not align with the current funding cycle (the procurement process for Te Kākano four year contracts was completed in November 2018), there is a risk that going out for tender in 2019/20 will increase the administrative burden on the Ministry of Health's procurement team and on Māori health providers applying to the Innovation Fund

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- There is a risk that there are few, or no eligible responses to the tender. However, based on previous years, this risk is low
- There is a moderate risk that post-Te Kāhano (seeding innovation) initiatives fail to meet the Innovation Fund objectives and progress to Te Ruinga. In the event the initiative fails to meet the Innovation Fund objectives, the Ministry will work with the provider to remedy any issues with the initiative. If this remedial action fails then the Ministry will exit the contract with Health Legal advice.

4.2 Options for scaling and phasing

Scaling, phasing or deferring - including 75% and 50% scenarios

There are options to scale this initiative. Scaling-up will allow the Innovation Fund to have a greater impact, however this may increase the risk of insufficient/ineligible applications to the Innovation Fund. Options to scale the initiative down by 75% and 50% are outlined in the tables below.

Option 2: scaled-down to 75% of proposed initiative

(\$m)	2018/19	2019/20	2020/21	2021/22	2022/23
Category 1: Te Kāhano (seeding innovation)	-				
Category 2: Te Ruinga (spreading proven innovations)	-	-	-		
Evaluation	-				
Total	-				

Option 3: scaled-down to 50% of proposed initiative (increase Te Ruinga spreading proven innovations only)

(\$m)	2018/19	2019/20	2020/21	2021/22	2022/23
Category 2: Te Ruinga (spreading proven innovations)	-				
Total	-				

Risks of scaling

The primary risk of scaling the delivery of this initiative is the missed opportunity to partner with and support Māori health providers to develop, implement, evaluate and spread innovative initiatives that aim to reduce inequitable health outcomes for Māori. Similarly, scaling down this preferred initiative would mean that the Government may be less well placed to delivery on its priorities of “Lifting Māori and Pacific incomes, skills and opportunities”, “Reducing child wellbeing, including addressing family violence” and “Supporting mental wellbeing for all New Zealanders, with a special focus on under 24s”.

Deferring

If the expansion of the Innovation Fund is deferred, this would prevent the realisation of potential health improvements for Māori children and their whānau in the short- to medium-term, and would

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	<p>also delay the achievement of the Government’s priorities within this election cycle. There could be a missed opportunity to make gains in Crown-Māori relationships (i.e. Ministry of Health partnerships with Māori health providers) and health system responsiveness to Māori.</p> <p>Phasing</p> <p>The primary risk of extending the expansion of the Innovation Fund over a longer period of time is that health system responsiveness to Māori will not improve at the rate and pace required to address inequitable health outcomes for tamariki Māori and their whānau. There are also concerns about how to provide sustainability over political cycles, to ensure that the Government’s priorities are realised. However, longer phasing would allow for the integration of the findings from the Government’s Health and Disability System Review and the Waitangi Tribunal’s Health Services and Outcomes Kaupapa Inquiry, which could better inform the development of a health and disability system that is more responsive to the needs and aspirations of Māori.</p>
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5. Collaboration

5.1 Collaboration and evidence	
What type of cross-agency and/or cross-portfolio initiative is this?	This initiative is led by the Ministry of Health, however applications to the Innovation Fund will be rated on the degree to which the innovation reorients the sector towards a whānau wellbeing approach, through collaboration across the health, housing, justice, welfare, employment, and education sectors. The spreading of evidence-based innovations also encourages sharing best practice experience across government sectors and health and social service providers.
Agencies and Ministers that have been engaged in initiative development	This initiative was developed in consultation with Minister Salesa (Associate Minister of Health).
Impact of cross-agency collaboration	<ul style="list-style-type: none"> - The initiative proposed and the Innovation Funding sought was developed in consultation with Minister Salesa (Associate Minister of Health). - The specific approach, costing, implementation and evaluation plans are modelled of the current Fund. - Expected outcomes are modelled off available evidence. - Phasing options were modelled by Ministry officials without consultation with the Associate Minister.
Risks and challenges	Innovation funding is for a fixed term and there is a risk that Innovation Fund recipients will be unable to secure ongoing funding beyond the expiry of their contract. To ensure greater uptake of evidence-based initiatives by health and other social service funders (such as DHBs, Oranga Tamariki and Te Puni Kōkiri) more cross-agency collaboration may be required to promote the Innovation Fund and its funded initiatives.

Appendix one: Evidence of successful innovations funded by Te Ao Auahatanga Hauora Māori

What Works – Te Ruinga Stories

The 2013 evaluation of the innovation programme (32 innovations) found that at least half the reports showed that families involved, in some way, transformed their perceptions, behaviours and attitudes towards achieving a healthier lifestyle.

Ten innovations from the first funding round (2009-13) received funding under the Te Ruinga (2013-17) funding cycle. Three of the Te Ruinga programmes are being implemented in the Northland and Southern regions, and seven either found alternative sources of ongoing funding or adapted learnings into their organisations and services.

Stories from Te Kākano (2009-13) in the form of 22 short video promotions developed by Providers form the substance of Te Pātaka on the Ministry of Health website. In 2014, the video promotions were launched at Government House in the presence of the former Associate Minister of Health, Māori leaders and community. Future promotions will see written summaries of the 2013-17 innovations on the Ministry website.

The Integrated Māori Nurse-led Clinics piloted in Hawkes Bay (2009-13) focussed on engaging rural communities and is now being successfully adapted in the Southern Region. The Nurse-led Practitioner clinics in the south meet service gaps in rural communities and involve those communities as well as other services and agencies. Discussion has been initiated with SDHB in terms of proposed future funding of the clinics.

Similarly community focussed nurse clinics facilitated collaboratively by Māori health providers targeting rural and hard-to-reach whānau in the Bay of Plenty have been supported by the local DHB for ongoing funding. From 2013 Ministry funding has been transitioning from 75 percent funding to 25 percent over three years and the DHB is expected to fully fund the programme from 2017-18.

Another innovation piloted in 2009-13 and supported through Te Ruinga, is the at-risk whānau focussed programme based in Kaitaia. The programme addresses issues of crisis such as debt collection, housing crisis and family violence. The Provider links to health and other agencies and receives referrals from iMOKO the remote health clinics operating throughout Northland (see page 3 below).

The Kaitaia based Provider uses 'natural helpers' or a person who was known to the whānau, to facilitate entry to services. The helpers invest time with the whānau to build their confidence and capability. Through an intensive case management process the natural helper prepares service solutions with the whānau including financial support (social benefits, budgeting) and appointments with the doctor and other health services.

The social services Provider has gone on to build on the innovative foundation by extending its role to include emergency accommodation, the housing regeneration programme in Te Hapua, prisoner aid, social work with men charged with whānau violence, and a rent-to-buy housing scheme with houses purchased from Housing New Zealand and relocated, fully renovated, in a village setting in Kaitaia.

A collaborative Māori-led alcohol and drugs reintegration residential programme was successfully piloted with vulnerable whānau in Auckland and supported by the Ministry for ongoing funding given its role in complementing the treatment programme undertaken by the Salvation Army.

The specialist clinical leadership programme piloted in 2009-13 was designed to support, mentor and strengthen the existing cohort of Māori medical graduates, and was further supported through to 2015 under Te Ruinga. The innovation focusses on recruitment and retention of a critical mass of Māori medical graduates who are continuing their training towards becoming medical specialists.

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A cross-sectoral Māori Leadership in Action in Whānau Ora programme also successfully attracted funding from other sources in 2014. The marae based leadership programme which was specifically structured for Māori leaders with an emphasis on implementing whānau ora across sectors received excellent reviews from the participants.

What is Working - Te Kākano Stories (2013-17)

Successful programmes from 2013-17 will be considered for Te Ruinga funding from 2017. Te Ruinga funding is limited and usually focusses on a small selection of pilots for spreading or adapting to other regions. Of the 23 Te Kākano programmes, some of which are highlighted below, a particular stand-out from the current round is the iMOKO programme in Northland.

The **iMOKO** innovation grew exponentially from its inception in 2013 and was being delivered with 76 children enrolled within 6 months. By mid 2016 there were 33 schools, 12 kohanga and four Early Learning Centres (rural and/or isolated) that target 2,000 children enrolled in the programme.

iMOKO is a unique virtual consulting, diagnosis and treatment programme that uses technology through a specially developed Application installed in iPads and digital clinical equipment provided to schools. Community volunteers are integral to the programme being trained in schools to run the Application and supported by mobile nurses and medical resources. The programme identifies health issues, refers to other agencies and treats the issues that it can treat e.g. sore throats, impetigo, MRSA, cellulitis, headlice, eczema, fungal infections, burns, grazes, bites, abscesses, scabies, and all infected wounds.

The **Nga Kaupapa Matauranga o Nga Mahi o te Ra** innovation is an online training programme for Māori who have an intellectual disability. It is run nationally by Te Roopu Taurima who have uniquely developed four trilingual (English, Māori, sign language) kaupapa Māori learning and education resources. Launched in December 2016 the 'Ready for Mahi' e-learning modules were presented by clients who had participated in the design and development trials. The modules are the only trilingual training resources internationally for people with an intellectual disability. Interest has been shown in this innovation programme from an Australian community liaison team.

The **Mana Atua – Mana Tamariki – Mana Mokopuna** programme (Hawkes Bay) is a motivational community based and whānau focused healthy lifestyle programme. The innovation integrates exercise, sports, games, healthy food choices and referrals to health and social services for vulnerable individuals and their whanau in a non-threatening community and family oriented environment. Evidence shows that the healthy lifestyle programme has benefitted whānau, especially in low decile areas of Camberley and Flaxmere (West Hastings) with high Māori populations. Due to its positive promotions, Minister Flavell has shown interest in the programme going forward.

The **Tamariki Mokopuna Ora** Innovation Programme (Porirua East) focuses on facilitating better and informed access for a sub grouping of Māori pregnant women to antenatal, maternity and child health support services. The women for various and complex reasons do not have a lead maternity carer or support for their baby after birth, especially for babies aged from birth to 6 weeks. The majority of clients are hard-to-engage mothers and their whānau, e.g. with gang affiliations, drug and/or alcohol issues, housing/accommodation issues who are enabled to access services where other organisations cannot or will not work with them.

Ka Rewa - A youth focussed innovation in Wairarapa supports 11-12 year old tamariki of Lake View School experiencing issues of; violence, poverty, depression, bullying, drugs and alcohol issues, health issues or are at risk of self-harm or suicide. It is the tamariki focus group that designs, develops and implements their programme of assessment and goal setting in health, education and social related activities. School academic and attendance data is now showing academic improvements and increases in school attendance for the cohort. The number of incidents reported by senior teachers has dropped 62 percent, junior/middle teachers 54 percent and Classroom Release Time (CRT) staff 60 percent.

A Hawkes Bay regional innovation called **Ko te Marae te Matatiki** is aimed to improve whānau health and wellbeing of six rural marae communities. There is a strong emphasis on addressing specific health

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needs and improving lifestyles through health promotion based around local engagement and marae activities enhanced by whānau connection, language and culture.

A similar setting is incorporated into the **Te Puawai o te Ahi Kaa** innovation based out of Raetihi marae in the Manawatu-Wanganui region. The innovation targets low-social economic and vulnerable/at risk whanau, underpinned by a cultural and whānau wellness focus in collaboration with local iwi, health and social services, local government and educational organisations. The programme engages/facilitates local whānau in a range of services, including: support and access to housing insulation; dental care for under 18s; asthma and eczema management; increased uptake of health screening activities; fitness and nutrition; quit smoking programme; and information and assistance for methamphetamine/drug/alcohol addiction.

Māori men with high social and complex health needs are the target group of the **Tane Takitu Ake** innovation in Lakes DHB region. This is a self-empowerment programme assisted through an array of collaborative approaches, co-ordination of local iwi, NGOs, other agencies to improve: men's lifestyle choices, health and wellbeing, behaviours in the home, and relationships with partners and children.

Intervention logic map: Increasing the Māori Health Innovation Fund

