

Template 1: Budget Initiative template

There are five sections of this template agencies need to fill out:

- Overview and context
- Detail on the investment proposal
- Wellbeing impacts and analysis
- Cost understanding and options
- Collaboration

Overview and context

Key Question/area	Comment/answer
Agency to complete	
Portfolio of lead Minister	Associate Minister of Health
Portfolio(s) of other Ministers involved (if this is a joint initiative)	N/A
Votes impacted	Vote Health
Initiative title	Improving gender-affirming care, and increasing the level of gender affirmation surgery provided.
Initiative description	This initiative seeks to increase the number of gender affirming genital reconstruction surgeries provided each year s 9(2)(f)(iv) <div style="background-color: black; width: 100%; height: 20px; margin-top: 5px;"></div> <div style="background-color: black; width: 100%; height: 20px; margin-top: 5px;"></div> <div style="background-color: black; width: 100%; height: 20px; margin-top: 5px;"></div>
Type of initiative	Out of scope (recommended) This is still going forward as these initiatives are long overdue, and an important commitment to improving outcomes for the rainbow community.
If this initiative relates to a priority, please outline the specific priority/ies it contributes to	This initiative aligns with 'Supporting mental wellbeing for all New Zealanders, with a special focus on under 24s.' Supporting transgender healthcare supports a group of people who experience health inequities, particularly around mental illness. In 2012, transgender youth in New Zealand were three times more likely to experience anxiety and depression, and were five times more likely to have attempted suicide within the previous 12 months.
Does this initiative relate to a commitment in the Coalition Agreement, Confidence and Supply Agreement, or the Speech from the Throne?	No

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Responsible Vote Analyst	§ 9(2)(a)

Funding

Funding Sought (\$m)	2018/19 ¹	2019/20	2020/21	2021/22	2022/23 & outyears ²	TOTAL
Operating	§ 9(2)(f)(iv)					

Funding Sought (\$m)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
Capital ³	-	-	-	-	-	-	-	-	-	-	-

1. Executive Summary

1.1 EXECUTIVE SUMMARY

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

The initiative is focussed on improving the healthcare provided to transgender New Zealanders. As a population, they experience considerable health inequities. There is variation in both the accessibility and quality of care they receive, with many people struggling to access appropriate treatment. One example of this is the waiting list for gender affirmation surgery, where people are experiencing a 50 year waiting list.

§ 9(2)(f)(iv)

[Redacted content]

These initiatives would support ongoing work to improve care pathways, develop nationally consistent guidelines, and dramatically increase the numbers of gender affirmation surgeries.

If we do not receive additional funding we will try to increase the number of surgeries that we currently fund through the High Cost Treatment Pool, likely to be a maximum of four surgeries per annum. This is enabled by a recent ministerial decision to change the cap of 3 and 1 to a minimum level of surgeries.

There has been media interest, including reporting in most major media outlets, about difficulties accessing surgeries. It is public knowledge that options to improve gender affirming care and

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”

³ The first 10 years of capital investment is counted against the multi-year capital allowance. Please reflect the full 10 year profile in the table.

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gender affirming surgeries are being considered. Minister Shaw has also spoken publicly about the need to improve transgender healthcare, as a long neglected area.

2. The Investment Proposal

This section asks you to outline your overall investment proposal and intervention logic. It should be supplemented with a one page intervention logic map showing the progression from outputs, outcomes and impacts of the initiative. See template 5 for an example of an intervention logic map that you can use as a template or guide.

2.1 Description of the initiative and problem definition

What is this initiative seeking funding for?

§ 9(2)(f)(iv)

[Redacted]

Why is it required?

Currently transgender New Zealanders experience a number of barriers to accessing gender-affirming care. The ability for people to access publicly funded care is typically challenging, with a number of DHBs not offering any services, and the remainder with very limited capacity. For people who have been referred for gender affirmation surgery, there is currently a 50 year waiting list.

Without additional funding, the 50 year waiting list for surgeries is likely to keep growing and people will miss out on surgery that fulfils their gender identity, improves quality of life, and reduces the risk of mental health issues and suicide. The coordination of the waiting list would also remain with the Ministry of Health, which is not considered to be an effective or appropriate way to coordinate a clinical service and waiting list.

§ 9(2)(f)(iv)

[Redacted]

2.2 Options analysis and fit with existing activity

What other options were considered in addressing the problem or opportunity?

We considered a variety of options for delivery, including the status quo, public delivery and private delivery, locally and internationally at varying rates. We also considered coordination options, including maintaining the status quo, private coordination and public coordination. Our proposed approach is based on what is practical, effective, efficient, equitable and preferred by health sector and community stakeholders.

The health sector and community groups strongly supported funding for capability development, and making the most of cost-effective opportunities. Contracting for community navigators was strongly supported by community groups.

What other similar initiatives or services are currently being delivered?

To date, two surgeries each year have been publicly funded. Transgender health care across New Zealand is currently variable and often inadequate, which has been reiterated by the Human Rights Commission, academics and transgender advocates.

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What other, non-spending arrangements in pursuit of the same objective are also in place, or have been proposed?	<p>We are undertaking work with DHBs to develop nationally consistent care pathways and guidelines for transgender people, to improve accessibility and consistency of care.</p> <p>The Budget bid would support this work by developing healthcare providers' capability to deliver on the guidelines.</p>
Strategic alignment and Government's priorities/direction	<p>This supports the priority areas to the Ministry of Health of improving health equity, and improving mental wellbeing. Transgender New Zealanders experience inequity of health outcomes. While data is limited on transgender issues, the Youth 2012 survey found that transgender teenagers experience three times the rate of depression and anxiety, and four times the risk of suicide.</p>
2.3 Outcomes	
Overall outcomes expected from this initiative	<p>The overall outcomes expected from this initiative are as follows:</p> <ul style="list-style-type: none"> • Improvements in overall health and wellbeing of transgender New Zealanders • Supporting healthcare providers to treat transgender New Zealanders with dignity and respect • Reductions in mental distress/illness for transgender New Zealanders • Improved coordination of gender affirmation surgery.
2.4 Implementation, Monitoring and Evaluation⁴	
How will the initiative be delivered?	<p>The initiative for gender affirmation surgery and navigators will be implemented through the establishment of contracts with a private provider initially. While we will tender for both initiatives, we are conscious there is only one provider offering gender affirmation surgery in New Zealand.</p> <p>The contracts will include strong accountability arrangements, including regular reporting on progress and surgery outcomes. We would also work to establish appropriate accountability arrangements for the navigators.</p>
How will the implementation of the initiative be monitored?	<p>The implementation of this initiative will be monitored through contractual arrangements, stipulating regular updates on progress and measures of success.</p>
Describe how the initiative will be evaluated	<p>The success of the initiative will be based on an assessment of delivery against criteria including surgical outcomes, number of surgeries and assessments delivered. Other criteria will be considered, including capability development of other surgeons, client satisfaction, and integration with the rest of the gender-affirming care pathway.</p>

3. Wellbeing Impacts and Analysis

This section builds on the information provided in section 2 above and goes into further detail on the impacts, evidence and assumptions underpinning the intervention logic. It also asks that you demonstrate how your initiative will impact on wellbeing domains, the four capitals and risk and resilience.

The focus is on showing a strong narrative underpinned by evidence rather than monetisation of benefits and showing a positive return on investment. However, the use of the CBAx tool and monetisation is encouraged for key impacts with good evidence where it will strengthen the case for intervention.

⁴ 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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Completion of this section is strictly limited to a maximum of three pages. This section helps the Treasury to assess and advise how the proposed initiative will impact the wellbeing of New Zealanders relative to the counterfactual. It may be provided to Ministers to support Budget prioritisation.

Impact summaries need to be framed against the three components of the Living Standards Framework, with supporting evidence where available:

- **Wellbeing domains** – identify the value to New Zealand, magnitude and timeframe (up to 50 years) for impacts on the primary and (up to three) secondary domains targeted.
- **Four capitals** – identify the draw-downs, build-ups and/or transfers across the four capitals (physical, social, natural, human) resulting from funding the initiative.
- **Risk and resilience** – linking to the counterfactual and intervention logic, explain how the initiative adapts to or absorbs risk and/or how it maintains or builds resilience













Please be aware that impacts or evidence are not mutually exclusive between wellbeing domains, capitals, and risk and resilience. They are interrelated cuts of the same information, we would expect that some answers may be duplicated.

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

Identify and quantify how the initiative impacts on wellbeing domains




Please fill in Table 3.1 below. Impacts need to be grouped under the relevant domains, as provided in the key below. Use the relevant domains, ordering them from top to bottom according to which domain your initiative achieves the greatest impact in. This analysis must also capture any negative impacts.

The wellbeing domains are outlined here for you to use in your table:

Civic engagement and governance 	Jobs and earnings 
Cultural identity 	Knowledge and skills 
Environment 	Safety 
Health 	Social connections 
Housing 	Subjective wellbeing 
Income and consumption 	Time-use 
	Other

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

Domains	Impact(s) description	Who are affected?	Magnitude of impact	How big?	Realised in	Evidence base	Evidence quality
<p>List domains, using the key above, where there is an impact. Order domains by magnitude of impact, i.e. largest impact domain first⁵.</p>	<p>Identify the impacts, with a separate line for each impact relating to a specific domain</p> <p><i>Note you can identify multiple impacts for a particular domain. Delete/add rows as needed.</i></p>	<p>Individuals/families/government/etc? Be as specific as possible. Are there distributional differences?</p>	<p>Relative to the counterfactual key assumptions, quantified to extent possible, and where possible monetised</p>	<p>High/ Moderate/ Low, or where possible present value</p>	<p><5 / 5-10 / 10+ years</p>	<p>Nature of evidence and key references</p>	<p>High/ Medium/ Low</p>
Health  Primary	Treats gender incongruence	Transgender individuals	<p>In all but 0.5% of cases, people are happy with the treatment and would not choose to reverse it.</p> <p>Body image, sexual satisfaction, and mental wellbeing all improve when people with gender incongruence receive the appropriate treatment.</p>	High	<5 years	Extensive academic research, reiterated by the World Health Organisation and the World Professional Association of Transgender Health.	High/ medium
	Improved mental wellbeing	Transgender individuals	<p>Research indicates that the mental wellbeing of transgender people shifts to that of cis-gendered people following surgery. Prior to surgery, transgender people typically experience lower mental wellbeing, with one New Zealand study finding that transgender teenagers experience four times the level of anxiety and depression, and are five times the risk of suicide. Based on Treasury’s CBAX tool values that would be the equivalent of \$16.5m across four years.</p>	High	<5 years	Multiple academic articles, including the following peer reviewed meta-analysis: Cecilia Dhenje, Roy Van Vlerken, Gunter Heylens & Jon Arcelus (2016). Mental health and gender dysphoria: A review of the literature, <i>International Review of Psychiatry</i> , 28:1, 44-57, DOI: 10.3109/09540261.2015.1115753	Medium
Subjective wellbeing 	Improve quality of life	Transgender individuals	<p>A 2018 study from Johns Hopkins University found that gender-affirming surgery for trans men is equivalent to 6.49 Quality Adjusted Life Years, or \$23,619 US (\$35,000 NZD approx). This accounts for reduced discrimination, improved feelings of safety, and general improvements in quality of life. No research was available on the impact on QALYs of gender-affirming surgery for trans women. The benefits are likely to be similar, but the cost of surgery is higher.</p>	High	<5 years	The QALYs were based on Defreyne, J., Motmans, J. and T’sjoen, G., (2017). Healthcare costs and quality of life outcomes following gender affirming surgery in trans men: a review. <i>Expert review of pharmoeconomics & outcomes research</i> 17, no 6.	Medium
Social connections 	Fulfilment of rights	Transgender individuals	<p>Gender affirming care is considered to be rights affirming by the Human Rights Commission. As care is often hard to access, and a number of people experience discriminatory practice, more can be done to fulfil the rights of transgender people.</p>	High	<5 years	This issue is examined in the report ‘To Be Who I Am’ by the Human Rights Commission.	Medium


⁵ 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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3.2 Wellbeing capitals – Sustainability for future wellbeing

Wellbeing capitals

Please fill out the table below to demonstrate how your initiative may contribute positively, negatively or neutrally to the four capitals.

 Capitals	Describe the impact and its magnitude	Realised in <5 / 5-10 / 10+ years
Financial/Physical	Decrease. <i>This initiative draws down financial capital to fund the cost of the surgeries and capability initiatives.</i>	<5 years as the cost is immediate
Human	Increase. <i>This initiative is focussed on improving individual health care for transgender and non-binary New Zealanders. This helps to build the stock of human capital by increasing the quality of life for individuals experiencing gender dysphoria. It also would improve additional stress and anxiety by dealing with a health system that is inconsistent in its ability to meet their needs.</i>	<10 years as while some people may experience benefits immediately, other benefits will take longer to realise.
Natural	Maintain. <i>This initiative has no impact on natural capital.</i>	N/A, as no impact
Social	Maintain. <i>This initiative has no impact on social capital.</i>	N/A, as no impact

3.3 Risk and resilience narrative

Does the initiative respond to or build resilience?

The development of capability, and implementing a suitable level of care that more closely meets demand is likely to support a resilient approach to transgender healthcare into the future.

4. Costing understanding and options

This section will provide further information on the costs of delivering the initiative and options for scaling and phasing to support assessment, prioritisation and decision-making.

4.1 Detailed funding breakdown

Please provide a breakdown of the costs of this initiative

Cover the following questions:

- What does the operating and capital funding sought purchase and what are the different components of costs? Please also indicate how much of the funding sought will be used for monitoring and evaluating the initiative, if applicable.
- What assumptions have been made to determine these costs and are there any relevant comparators?
- Are there any uncertainties or risks around these costings?

For example:

(\$m)	2018/19	2019/20	2020/21	2021/22	2022/23
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The estimated cost of providing 20 gender affirmation surgeries is [REDACTED]. This based on the following assumptions:

- [REDACTED] for each feminising surgery
- [REDACTED] for each masculinising surgery
- Currently there is a ratio of 3 feminising surgeries to 1 masculinising surgery, however after four years this ratio is likely to shift from 3:1 to closer to 1:1, leading to an increase in cost in out years.
- [REDACTED]
- This would be supplemented by \$275k from baseline funding (a total cost of [REDACTED])

[REDACTED]

[REDACTED]

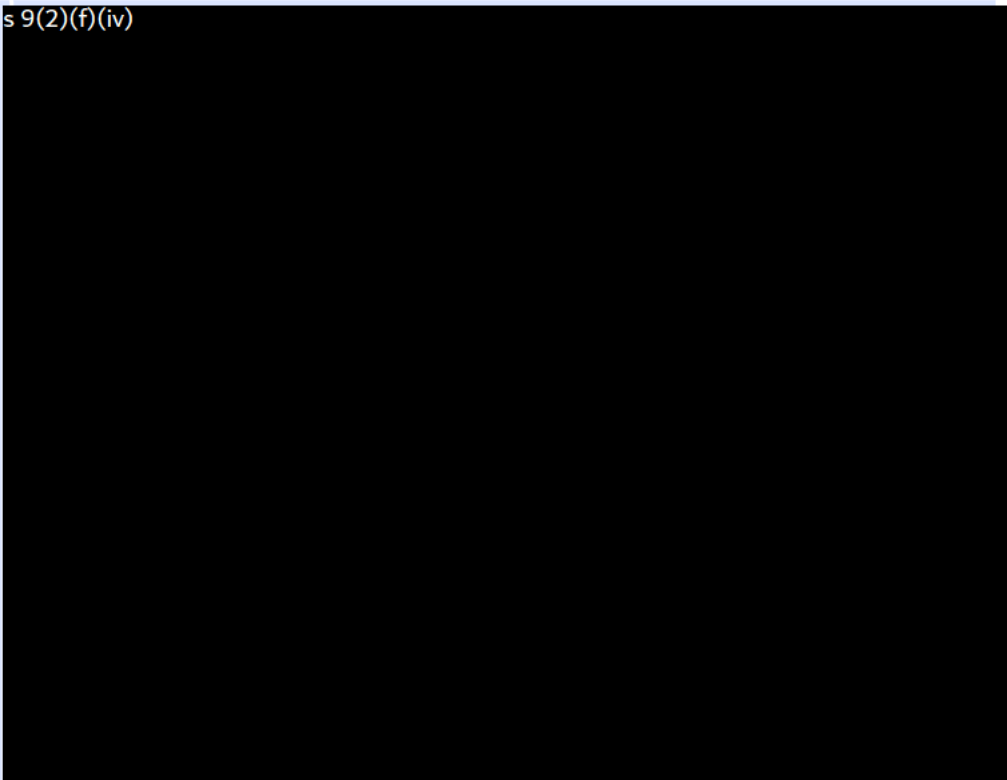
[REDACTED]

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4.2 Options for scaling and phasing

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

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5. Collaboration

This section provides information on how agencies have engaged both within and outside of their own departments in the development of this initiative. Cross-agency and cross-portfolio collaboration are both important in this context. Please ensure this section is clear and succinct, and no longer than one page.

5.1 Collaboration and evidence	
What type of cross-agency and/or cross-portfolio initiative is this?	<p>This is a package initiative, where a group of initiatives are designed to improve accessibility and the quality of transgender healthcare. However, this is led and delivered by Health as the services that are being discussed exist solely in the health sector.</p> <p>If we receive funding to develop training tools, we would consider whether other sectors could benefit from using them.</p>
Agencies and Ministers that have been engaged in initiative development	N/A
Impact of cross-agency collaboration	N/A
Risks and challenges	N/A