



# **The *cassis belli* for reform of the New Zealand health workforce**

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Executive Chairman

# Towards a sustainable, diversified and fit for purpose health workforce

- A challenged health system – the New Zealand health system in 2009/10; the *cassis belli* for reform of the health workforce
  - [Friday 11 June 2010 0830-0900](#)
- The way ahead - diversification of the New Zealand health workforce through intelligence, innovation and clinical leadership
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  - Saturday 12 June 2010 1100-55 and 1205-1300
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  - Sunday 13 June 2010 1200-30

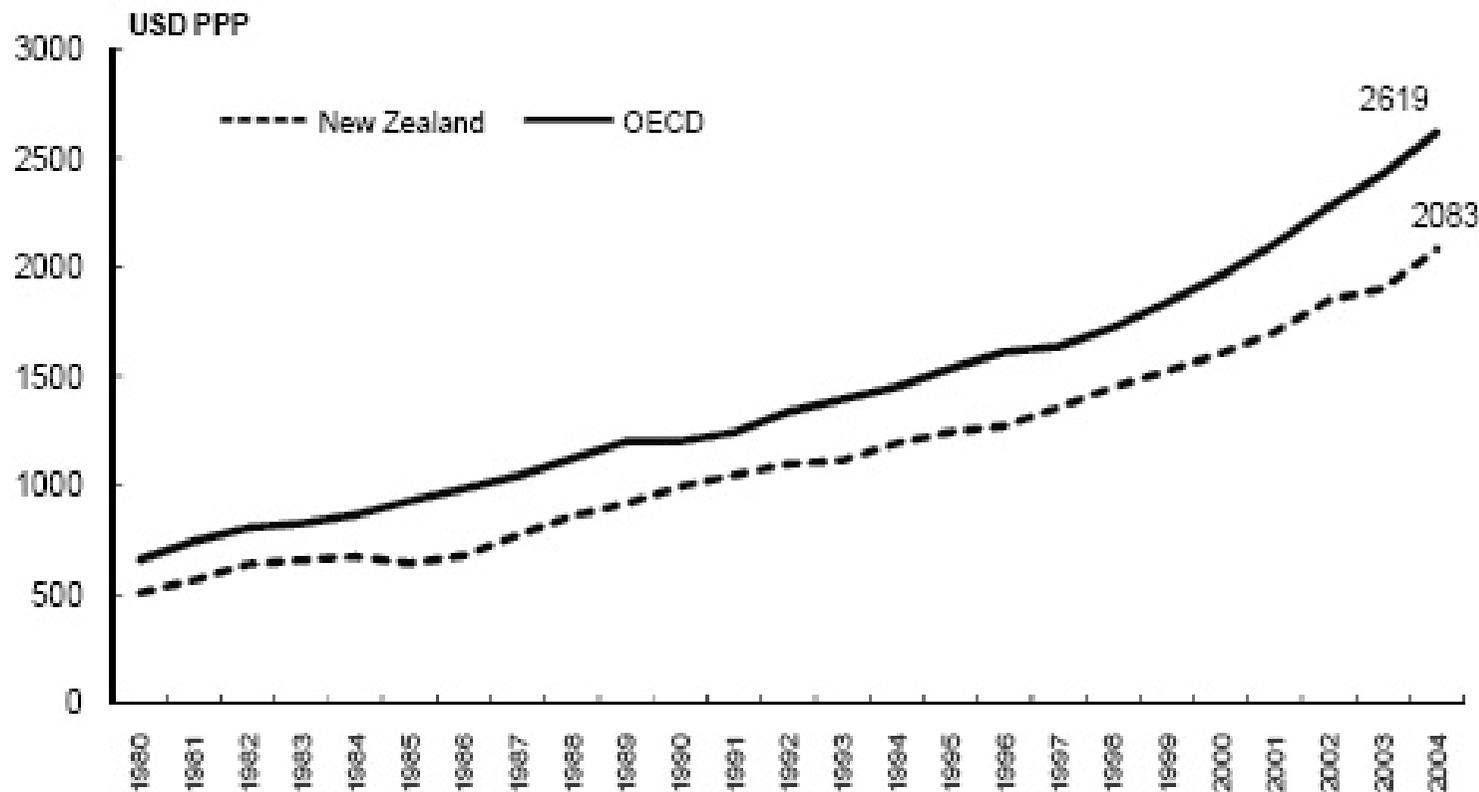
# The *cassis belli* for reform of the New Zealand health workforce

- What is the basis of citizenship in New Zealand and what do New Zealanders expect of their societies?
- Why is the *taonga* of universal health care for New Zealanders so threatened and threatening?
- Why is there a sense of urgency and what does failure look like?



# Why is the *taonga* of universal health care so threatened and threatening?

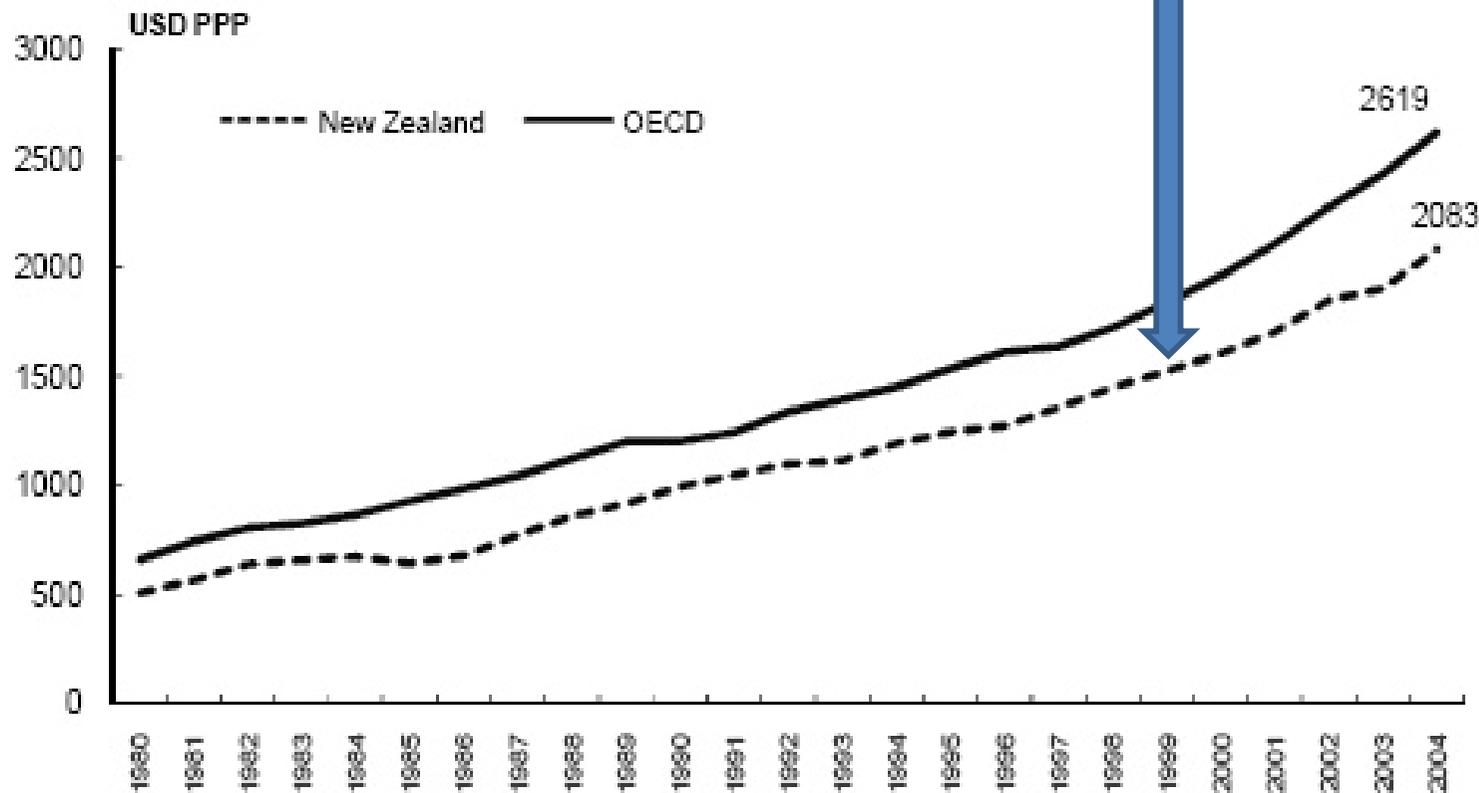
Chart 9. Health expenditures per capita in New Zealand and OECD countries, 1990-2004



Source: OECD Health Data 2006

# Health spend at 8.4% GDP, 20% of total Government spend and 50 and 40% of new money in the 2009 and 2010 Budgets respectively

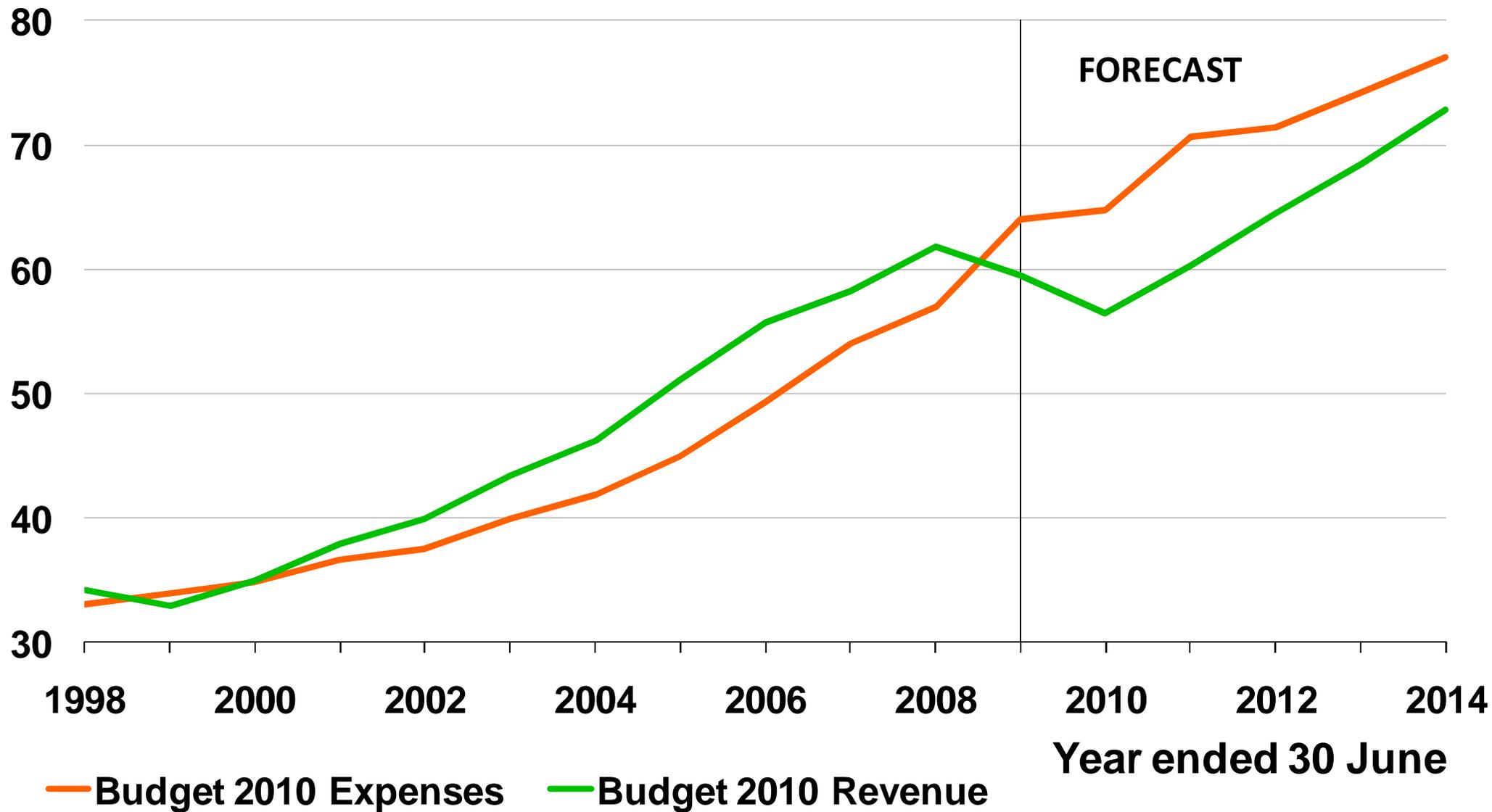
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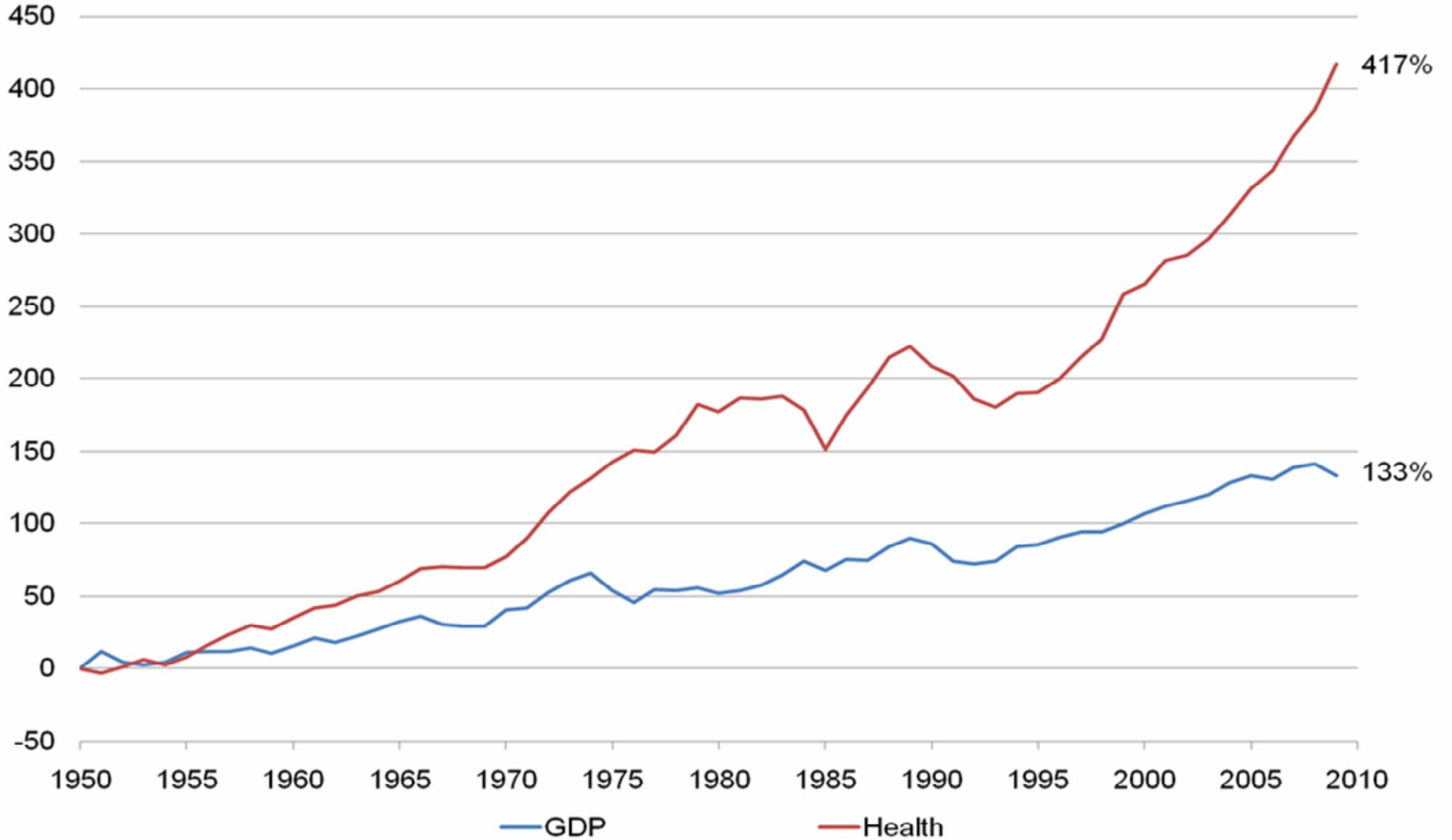
Source: OECD Health Data 2006

\$ billion

# Core Crown Revenue & Expenses



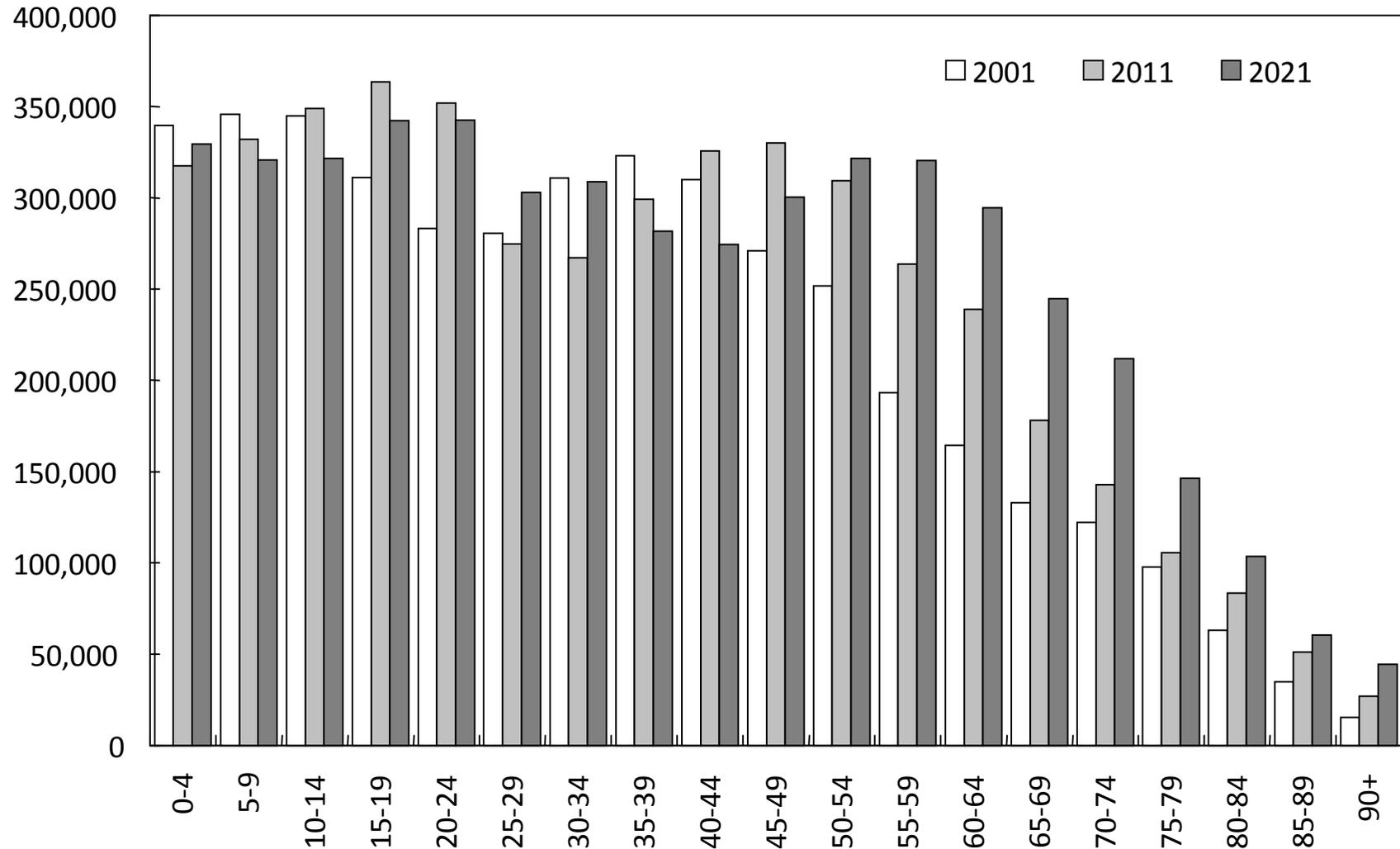
Cumulative % change



# NZIER (2005)

NZ Population Projections by Age Cohort  
(Assuming medium population growth)

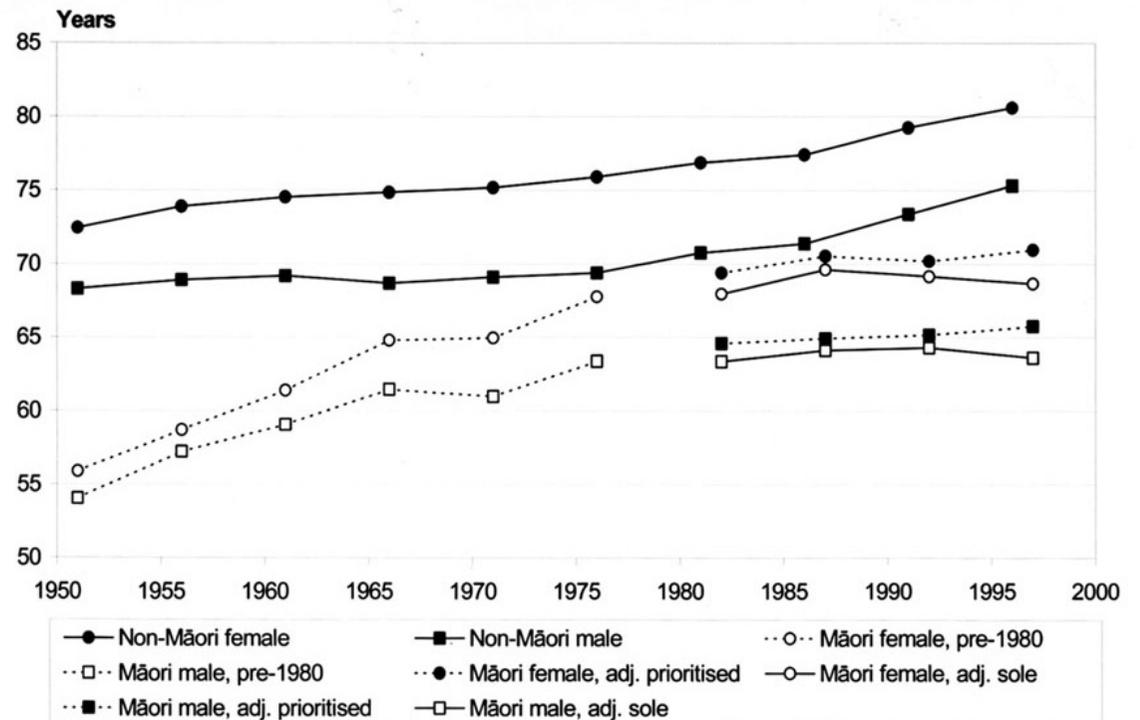
**A significant increase in health service demand due to ageing alone!**



# The *cassis belli* for reform of the New Zealand health workforce

- What is the basis of citizenship in New Zealand?
- Why is the *taonga* of universal access to excellent health care so threatened and threatening?
- Why is there such a sense of urgency and what does failure look like?

Figure 20: Māori and non-Māori life expectancy, by gender, 1950–2000

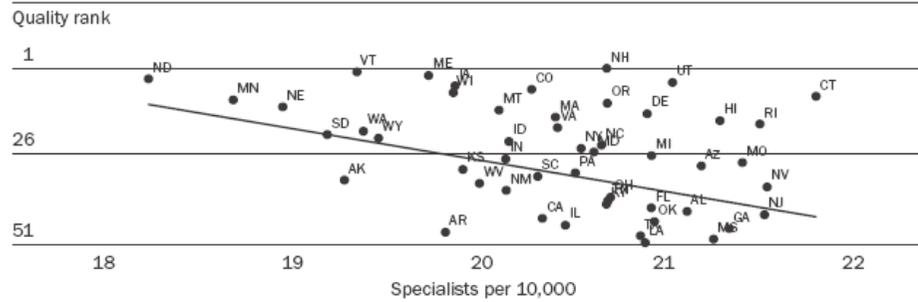


# The New Zealand Health System in 2009/10

- A health system that meets most people's needs, but, perhaps largely due to the quality and good will of the health workforce.
- A health system in which the good will of the health workforce has been eroded and in which there is a schism between governors and clinicians.
- A health system that is increasingly segregated and tribal.

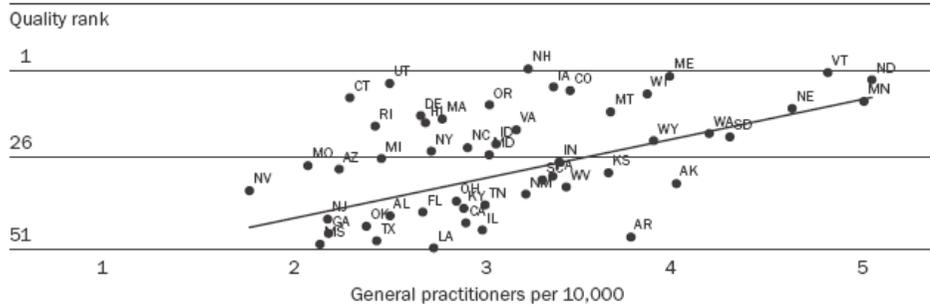
# A workforce that is not well distributed against need in respect to discipline, ethnicity and both geography and demography

**EXHIBIT 6**  
**Relationship Between Provider Workforce And Quality: Specialists Per 10,000 And Quality Rank In 2000**



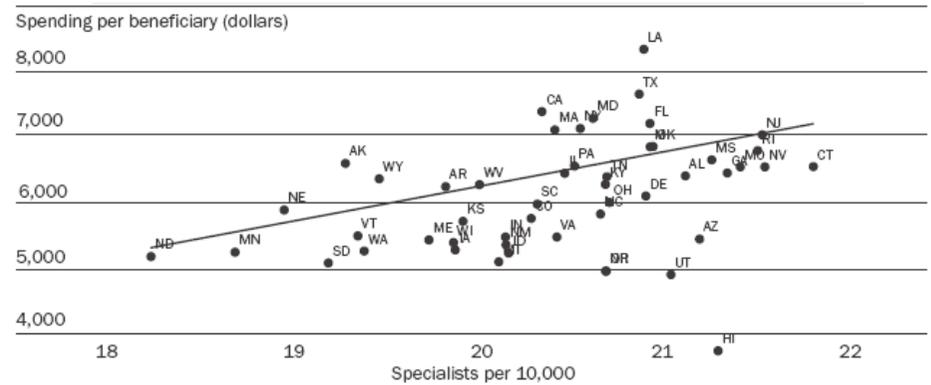
**SOURCES:** Medicare claims data; and Area Resource File, 2003.  
**NOTES:** For quality ranking, smaller values equal higher quality. Total physicians held constant.

**EXHIBIT 8**  
**Relationship Between Provider Workforce And Quality: General Practitioners Per 10,000 And Quality Rank In 2000**



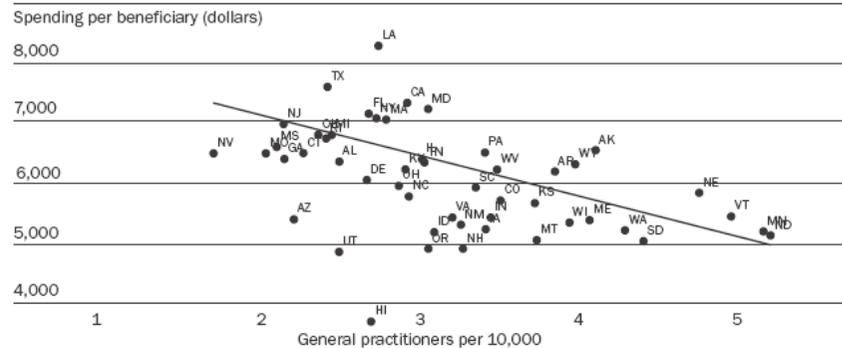
**SOURCES:** Medicare claims data; and Area Resource File, 2003.  
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**EXHIBIT 7**  
**Relationship Between Provider Workforce And Medicare Spending: Specialists Per 10,000 And Spending Per Beneficiary In 2000**



**SOURCES:** Medicare claims data; and Area Resource File, 2003.  
**NOTE:** Total physicians held constant.

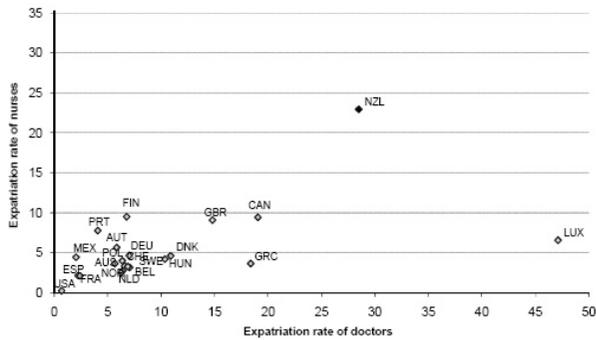
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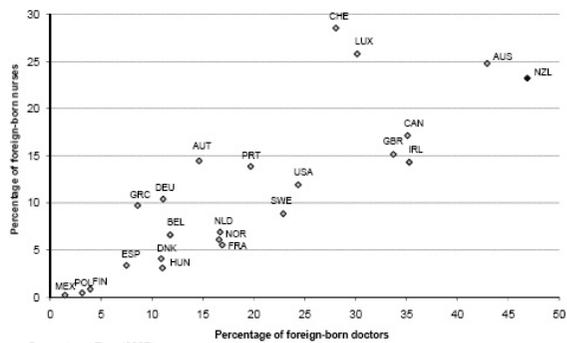
**SOURCES:** Medicare claims data; and Area Resource File, 2003.  
**NOTE:** Total physicians held constant.

# A health system that has an unsustainable reliance on immigration

Chart 7. Expatriation rates and percentages of foreign-born doctors and nurses, selected OECD countries, circa 2000

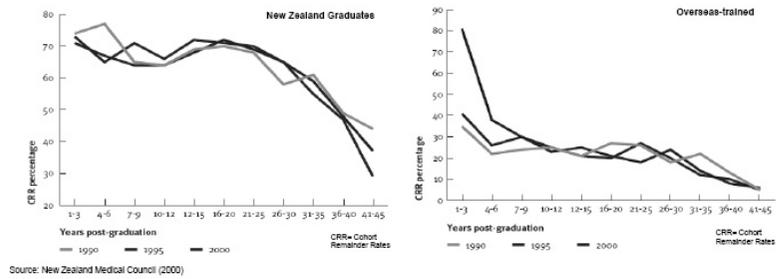


Source: Dumont and Zum (2007)



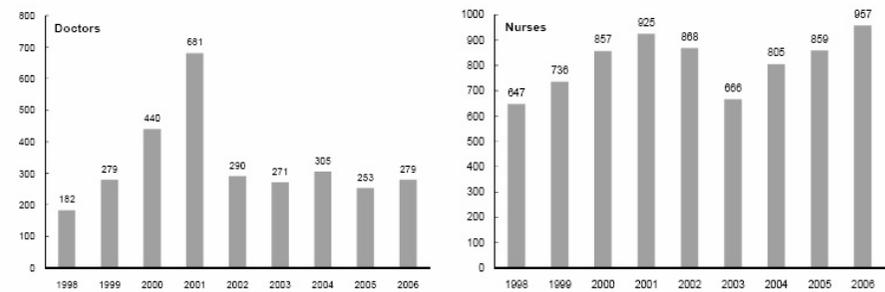
Source: Dumont and Zum (2007)

Chart 16. Percentage of New Zealand graduates and overseas-trained doctors retained in the New Zealand workforce 1990, 1995 and 2000



Source: New Zealand Medical Council (2000)

Chart 18. Yearly permanent and long term arrivals of New Zealand doctors and nurses to Australia, 1998-2006



Note: Data refer to permanent and long term movements and settlers arrivals of doctors  
Source: Department of Immigration and Multicultural Affairs

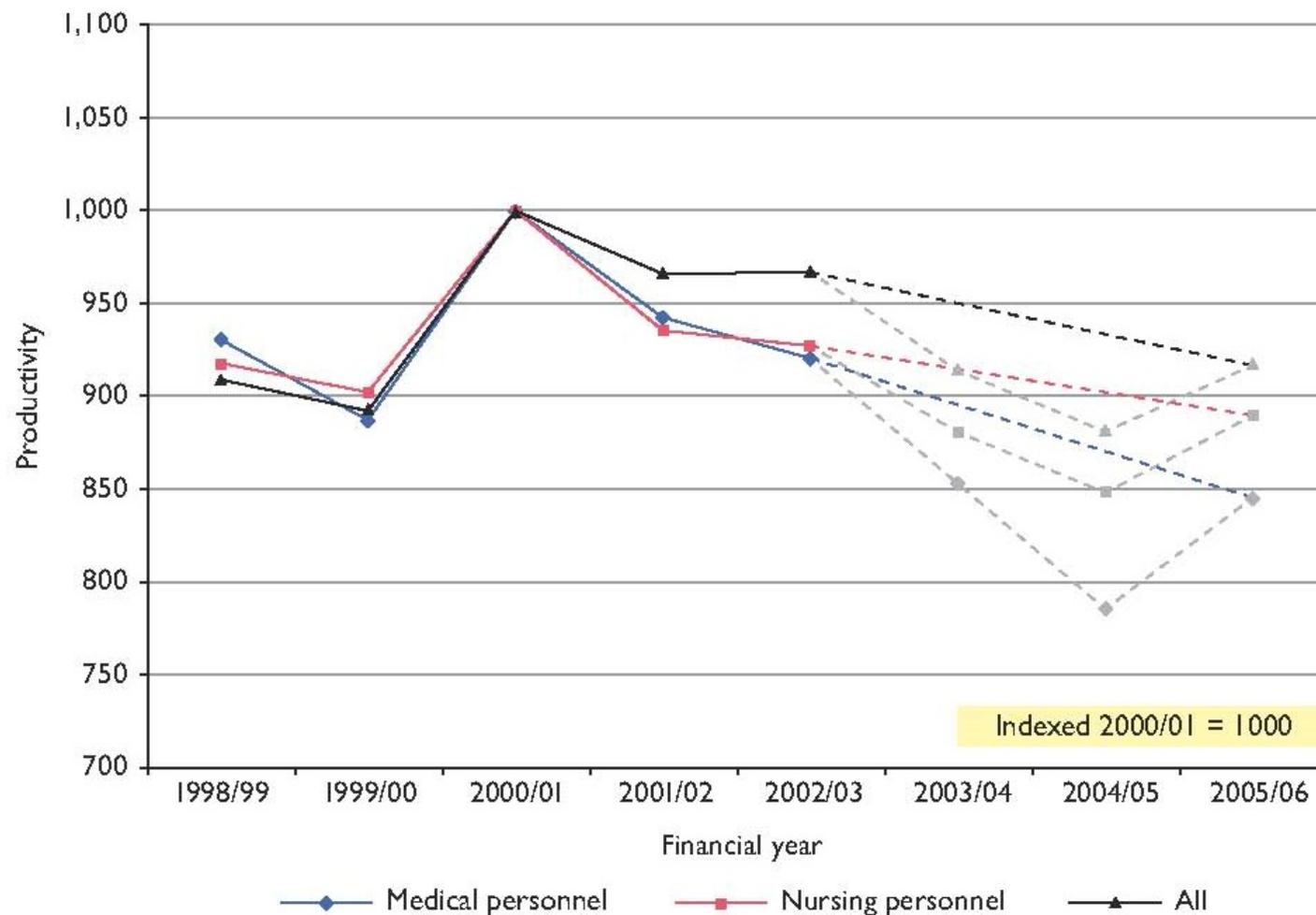
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Source: Department of Immigration and Multicultural Affairs

# The New Zealand Health System in 2009/10

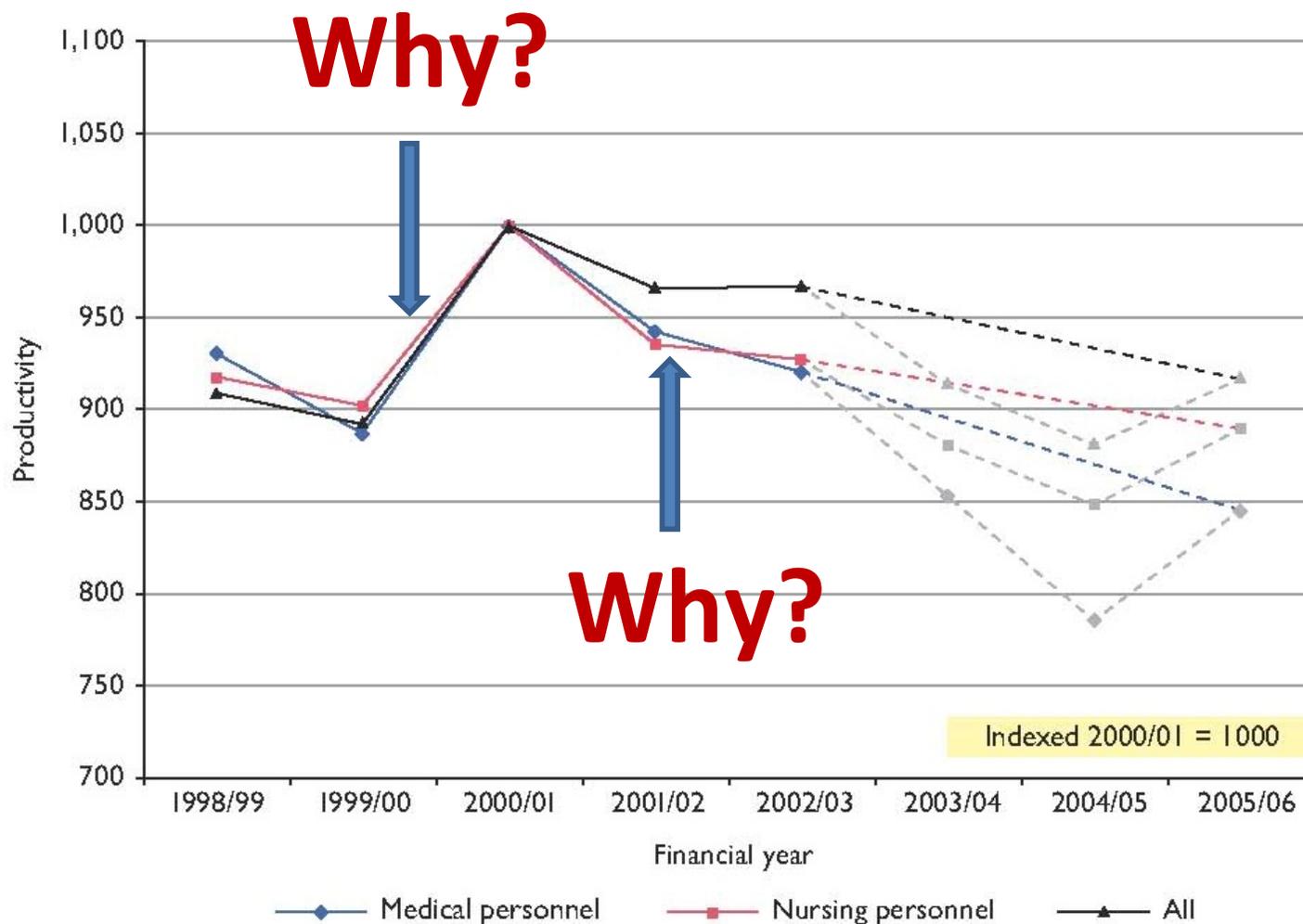
- A health system that faces a doubling of demand over the next decade at a time when the health spend is at or is close to what can be afforded.
- A health system that is “drowning” in data, but, that is largely free of intelligence.

# Mani Maniparathy, New Zealand Business Roundtable 2008

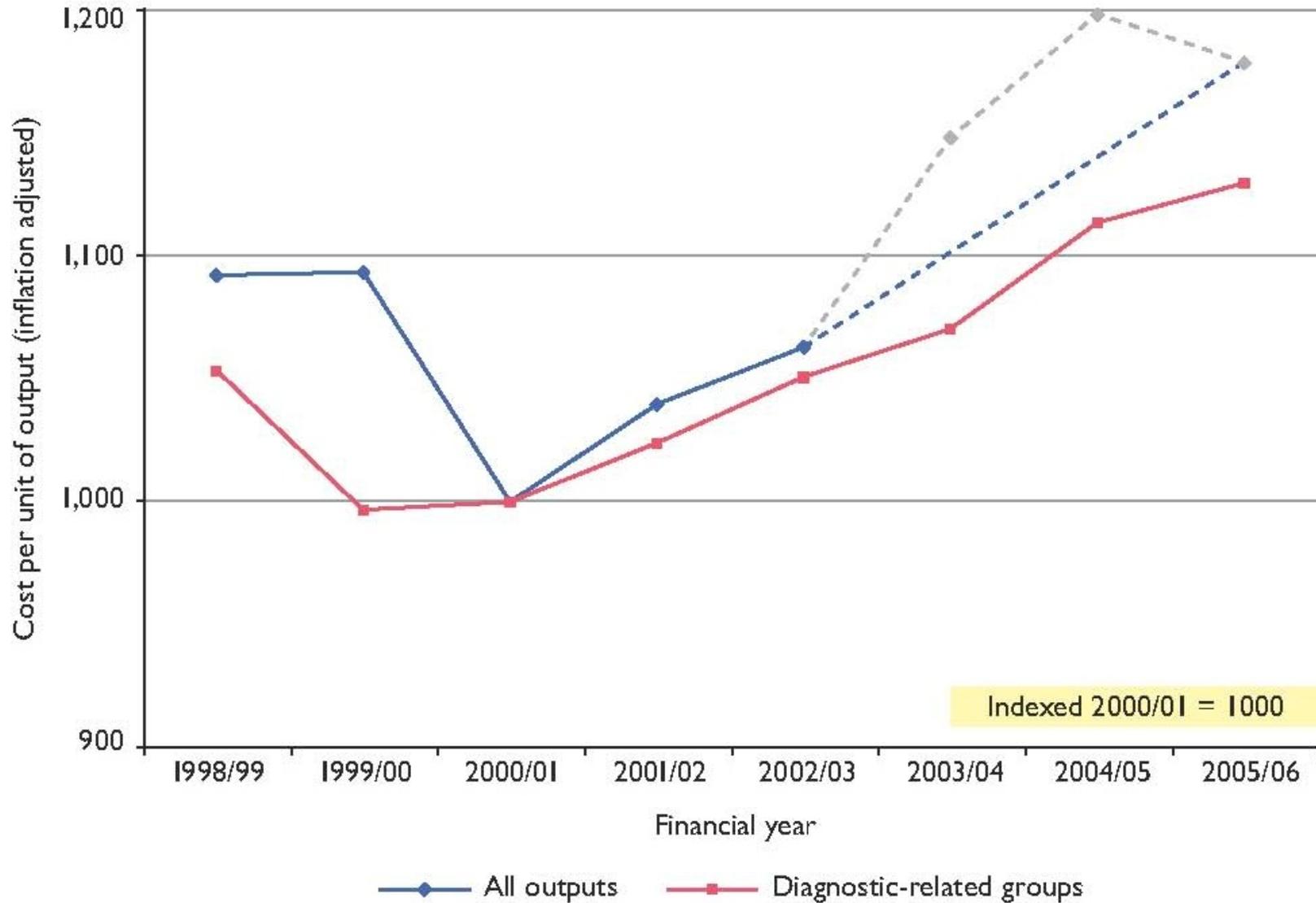
Figure 3: Productivity (volume per head) of public hospitals (indexed 2000/01 = 1000), 1998/99 to 2005/06



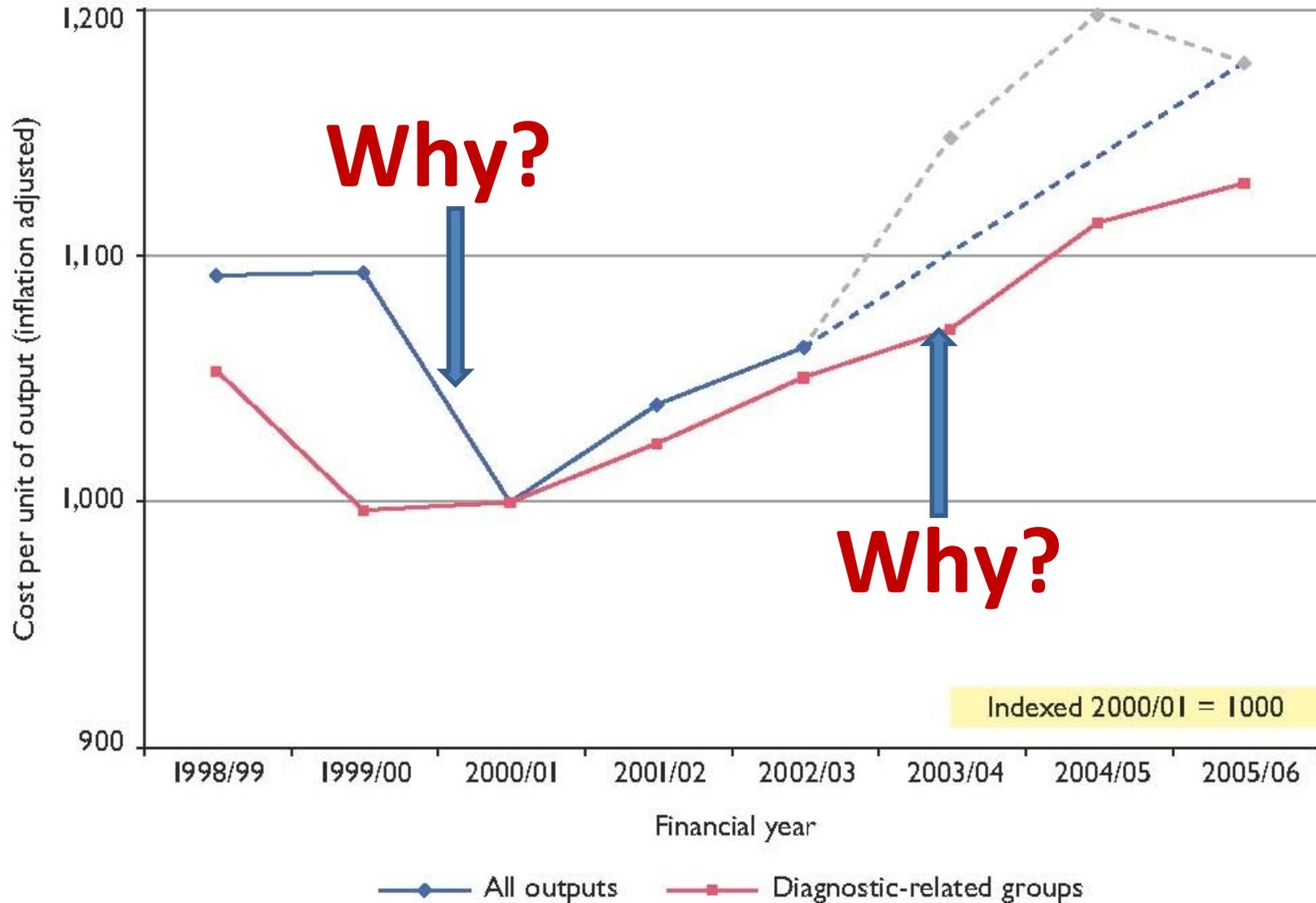
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**Figure 2: Inflation-adjusted cost per unit of output (indexed 2000/01 = 1000), 1998/99 to 2005/06**



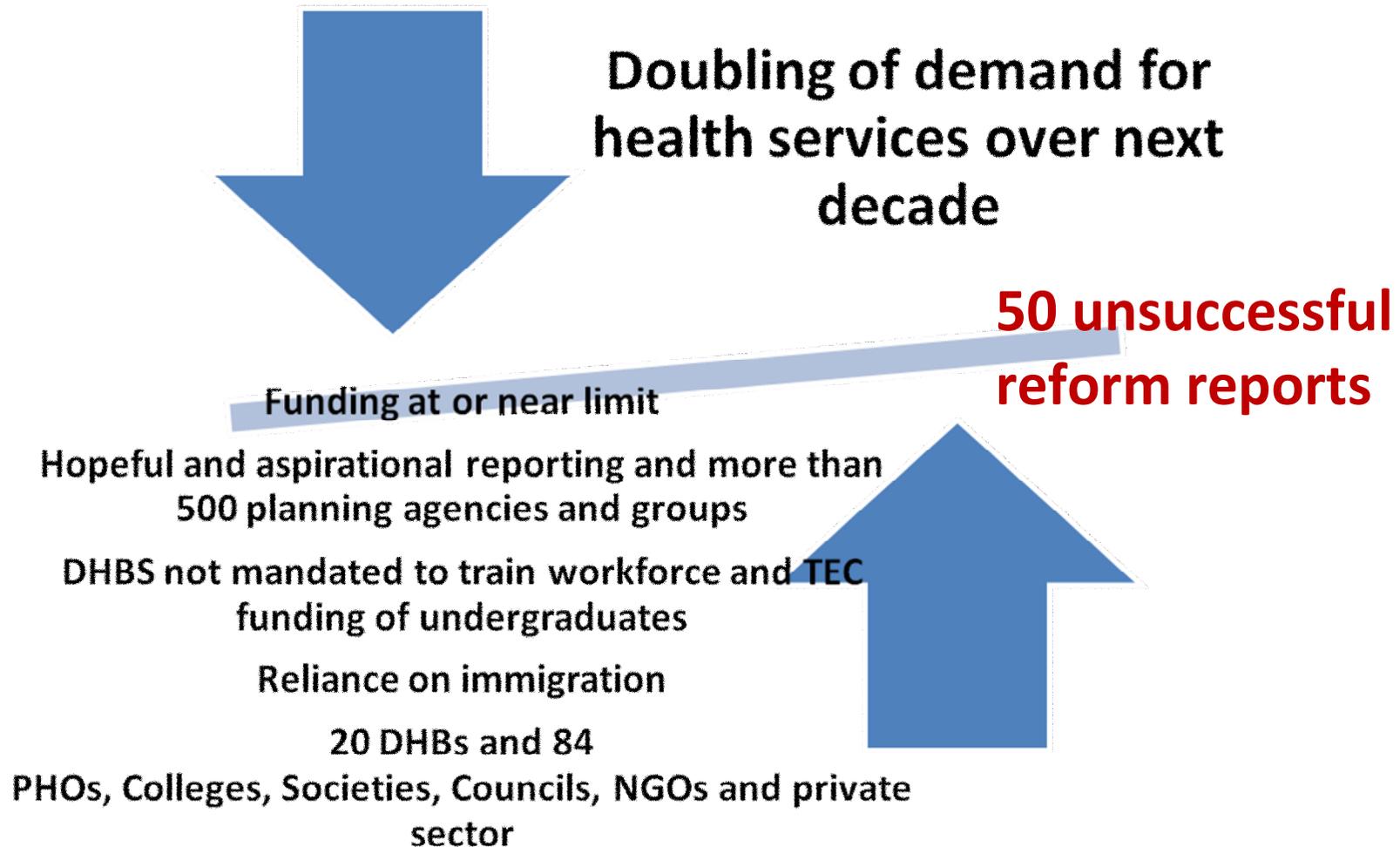
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# The New Zealand Health System in 2009/10

- A health system that is unable and or unwilling to change despite a strong and uniform stakeholder view that the *status quo* is untenable.

# A health system that is unable and or unwilling to change





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