

Paul Menzies  
Chairman  
Southland District Health Board  
PO Box 828  
Invercargill 9840

7 February 2010

Dear Mr Menzies,

The Senior Medical Staff appreciate the Otago District Health Board's acknowledgment of our concerns in their resolution to approve the merger with Southland District Health Board.

There is no doubt that the concept of reducing bureaucracy is appealing. However, we continue to have the following concerns:

**1. Lack of information**

The language of the resolution clearly implies change in how services will be allocated, and we believe the consultation process has not enabled a meaningful discussion in the public arena of what these changes will be due to a lack of information provided to staff and public.

Thirty working days is the minimum period of consultation recommended by the Ministry of Health in its guidelines for the Ministry of Health and District Health Boards relating to the provision of health services (published 2002). This document suggests that a DHB should consider increasing the 30 working day period if any of the following factors apply:

- interested parties have indicated that consultation period should be longer
- a large number of issues are involved
- the decision will affect a wide range of people
- the issues are complex
- responding will require stakeholders to undertake significant work
- only limited information can be provided to interested parties
- an increase in time is necessary because of the ability of stakeholders to respond
- the consultation period extends through the Christmas period
- high probability that the decision will be challenged
- decision is likely to generate extensive public debate

We believe that all of these factors apply to this proposal and so the District Health Board should have considered increasing the

consultation period. Please refer to our letter of 3 February 2010 for further discussion on this point.

## **2. Material issues**

There has been no revision of the discussion document with appropriate public review and comment, despite the fact that material issues have been raised during the period of consultation, including concerns about lack of information, representation and access to clinical services.

A statement has been made that this merger has been the subject of discussion for over three years. However, one year ago, Mr Rousseau gave senior doctors the assurance that "merger was not on the cards".

In any case, sections 19 and 20 of the New Zealand Public Health and Disability Act 2000 set out mandatory requirements for consultation. "The consultation must include:

a) producing a discussion document explaining the proposed change, and including a discussion of any advantages or disadvantages that may flow from the implementation of the proposal; and

b) giving the public in the area affected and in other parts of New Zealand that may be affected, an opportunity to make submissions on the proposal.

S 20 (6) No Order in Council can be made unless the requirements of this section have been followed."

We argue that the discussion document does not explain the proposed change, nor adequately discuss the advantages or disadvantages of the proposal in sufficient detail to allow the public to submit meaningful feedback on the implementations of the merger.

## **3. Loss of representation**

There is no recognition of the loss of representation for Southland within the new Board structure or the complexities of that issue in regards to service allocation. It has been recommended that Southland and Otago be established as separate constituencies and that Southland be allocated three representatives on the new Board.

If those representatives are drawn from Wakatipu, rural Southland and Invercargill, rather than there being a "Southland' voice, there is the potential for the divergent interests of each group to be overwhelmed by the four Otago representatives. (Perhaps there should be a further

limit on the number of government appointees. Perhaps key policy decisions, such as amendments to the strategic and annual plans should require a super majority of both Southland and Otago representatives in favour.) We do not believe that the community is sufficiently aware of this important point.

#### **4. Single provider arm**

The watershed change of conversion to a single provider arm has not been elaborated in public discussion.

#### **5. Viable alternatives**

We have not been told if viable alternatives have been considered in detail. It is possible, the efficiencies sought from the merger could be achieved through contractual relationships and continuation of the "Strategic Alliance" with the Southland District Health Board retaining the ongoing ability to amend those arrangements as an equal contracting party.

We have not been given any evidence of other options management may have explored nor whether this model has been given any objective analysis as to its effectiveness over other potential models (such as continuing and expanding the Shared Alliance or the possibility of one DHB for the South Island).

#### **6. Southland District Strategic Plan and Annual Plans**

We have no understanding of what this merger will mean for the Southland District Strategic Plan and Annual Plans, each of which require consultation prior to any amendment.

#### **7. Access to clinical services**

The potential effect on Southland patients access to clinical services has not been given sufficient attention or discussion. We are aware of examples of problems relating to joint service provision run from Dunedin. We believe it is reasonable to extrapolate these experiences to all clinical services run in a similar manner in the future.

At the very least, we believe that the community has the right to understand how the Board considers these problems will be addressed.

We would like to acknowledge that the senior medical staff are not alone in continuing to raise concerns in this area.

As what is probably the first among several amalgamations around the country, it would serve Southland and New Zealand to have the most robust discussion of how to proceed. If this is the first among several steps to amalgamate the DHBs of the South Island, let it not happen without

meaningful and informed discussion. The repeated process of changing administrations is both costly and demoralizing.

These issues are complex and significant for the people of Southland. We strongly urge you to recommend to the Minister that further consultation is required on this issue.

Meaningful consultation could include:

- conducting joint workshops with key organisations to promote the free exchange of ideas;
- holding further public meetings with sufficient notice and publication to encourage attendance;
- having regard to the input received, circulating a revised discussion document that includes a discussion of the views raised by initial submitters, and in particular details of the proposed governance structure;
- commissioning an independent assessment to be undertaken of the proposed merger;
- Public referendum as part of local government elections.

As physicians, whose fiduciary interest is the health of our patients, we strongly urge you to consider your duty to the people of Southland and to take the extra time to provide the community with sufficient concrete detail on how this merger will affect their access to clinical services and make this process transparent. We are building a legacy; let us ensure it is one to be proud of.

Yours sincerely,

Dr Charles Luecker  
On behalf of Senior Medical Staff, Southland Hospital