

17 September 2020

Dear PHO Chief Executives

Funding package to support Telehealth Services

DHBs and the Ministry of Health recognise and value the critical role primary care is playing, and will continue to play, in the COVID-19 response. In this letter we are pleased to provide financial support to general practice to implement clinical telehealth services.

The first part of this funding package is a one-off bulk payment of \$3.4 million, to be distributed to all general practices, to assist them to deliver digitally enabled health services and to enable digitally excluded populations to consume these services.

The payment has been calculated for each general practice using ESU data in the National Enrolment Service as at 1 July 2020. The primary care funding allocation to general practice has been calculated in-line with previous primary care COVID-19 funding models. The payment to each general practice will be the greater of the following amounts:

- \$0.90 per high needs enrolled service user (Māori, Pacific, Dep Q5 and/or over 65s)
- \$0.30 for other enrolled service users
- \$1,000 minimum payment for each practice
- \$2,000 additional payment for practices with 50% or more high needs.

The funding for each general practice was paid to PHOs on 14 September 2020. These payments are in addition to all other payments made under the PHO Services Agreement. Each PHO is required to pass 100% of that funding to each general practice.

The Ministry of Health has required DHBs report on the use of funding by each general practice location across the following investment categories by percentage of funding:

- Hardware
- Software (virtual consultation, telehealth)
- Broadband expansion
- Practice team education
- Patient education
- Technical support

These reports are due on 12 February 2021 and 13 August 2021. DHBs will work with PHOs on this further.

The second part of this package is a one-off bulk payment of \$7.1 million provided directly to DHBs, to assist them to deliver digitally enabled health services and to enable digitally excluded populations to consume these services. In June 2020, the National DHB Chief Executives approved a proposal to allocate a proportion of the funding from DHBs to the Health Care Home Collaborative to support telehealth service implementation with a focus on the following general practices, regardless of their membership status:

- Māori/Iwi general practices
- Very Low-Cost Access
- those general practices with a high proportion of Māori patients
- rural general practices.

Please contact the Health Care Home Collaborative on Collaborative@hch.org.nz if you require further information.

This funding to the Health Care Home Collaborative will be supplemented with a separate Delivering Equity in Telehealth Services project that will focus on the wider issues Māori and Pasifika, rural and Very Low-Cost Access practices and their patients face. Further detail about this project, including the provider, will be announced separately. Together these projects total nearly \$2 million over three years.

Again, we would like to thank our PHOs and general practices who are working under these extraordinary circumstances. General practices are the frontline of our health system and we acknowledge and appreciate the work you are doing for our communities.

DHBs and the Ministry will continue to work closely with primary care to support and sustain general practice's critical role in our COVID-19 response.

Your DHB Primary Care Portfolio Manager has been provided with the funding details for your general practices. They will provide this information to you separately. Please do not hesitate to contact your DHB Primary Care Portfolio Manager if you have any questions about how the package will be delivered to your general practices.

Yours sincerely



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cc: GMs Planning and Funding, All DHBs
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