

Aide-Mémoire

Health New Zealand
Te Whatu Ora

Regional Information - Accelerating performance against the elective treatment Health Target via outsourcing to June 2026

Due to MO:	19 February 2025	Reference	HNZ00079260
To:	Hon Simeon Brown, Minister of Health		
From:	Professor Lester Levy, Commissioner Dr Dale Bramley, Interim Chief Executive Officer		
Security level:	In Confidence	Priority	Routine
Consulted	N/A		

Contact for further discussion (if required)			
Name	Position	Phone	1st contact
Professor Lester Levy	Commissioner	S9(2)(a)	X
Dr Dale Bramley	Interim Chief Executive Officer	S9(2)(a)	

Purpose

1. With reference to the briefing “Accelerating performance against the elective treatment Health Target via outsourcing to June 2026” (HNZ000078198) this paper provides updated analysis of the additional activity required to achieve 70% of the shorter waits for elective surgery performance target by 30 June 2026.
2. The analysis is provided from a national and regional perspective. The activity levels in this Aide Memoire are derived from a model which considers factors such as procedure complexity, waitlist mix, demand, capacity and current prices. Should these underlying assumptions materially alter during delivery implementation plans will need to be reviewed to ensure performance is maintained.

Background

3. You requested Health NZ explore accelerating performance against the elective treatment Health Target.
4. The initial advice provided showed Regions improving their performance against the elective treatment Health Target by up to 70% by 30 June 2026.

Revised Regional Plans

5. After assessing feasibility with the private sector, the approach has been updated into three time periods – March to June 2025; July to August 2025 and September 2025 to June 2026.
6. In the period March to August 2025 regions will deliver 18.7% more treatments compared to the baseline period March to August 2024.
7. In the period September 2025 to June 2026 the regions will deliver 19.2% more treatments compared to the baseline period of 2024 actuals. The baseline is the 2024 calendar year to take account of increased performance in the current financial year.
8. To achieve these new milestones each region is planning to increase its delivery of elective treatment by both outsourcing elective treatment to the private sector, and insourcing to make better use of Tōtara Haumaru (Auckland) and Burwood Hospital (Christchurch) by expanding the elective treatments they provide.
9. The table below summarises the additional elective procedures that will be provided, through both outsourcing and insourcing and shows the total cost of providing these elective procedures and the percentage increase anticipated over similar time periods in 2024. Insourcing is the use of private clinicians in public facilities using equivalent pricing to panel agreements and is used as an additional option to improve capacity.
10. The cost is split in the appendices between financial years to ensure clarity of the financial choices in 2024/25 and 2025/26.

11 **S9(2)(b)(ii), S9(2)(f)(iv)**

12. Noting modelling assumes improvements to performance will be maximised by completing lower complexity procedures in the March to August 2025 period.

Table one: Regional and National Uplifts in Elective Treatments

s 9(2)(b)(ii)

13. The greatest uplift in activity is proposed to be in the Northern region where there is the greatest available private sector capacity.
14. Nationally the largest percentage increases in activity in the March to August 2025 period and again in the September 2025 to June 2026 are Ear, Nose & Throat, Cardiothoracic, Ophthalmology, Dental and Orthopaedic procedures.
15. Attached as Appendices 2 to 5 are the regional breakdowns of the additional treatments planned by specialty. The movements in each region reflect the number of patients waiting more than 120 days and an assessment of the available insourced and outsourced private capacity to provide additional treatments.
16. This assessment of capacity remains subject to negotiations on additional volumes with private providers. This process has already commenced under the panel agreements.

Risks

17. The successful implementation of this plan relies on:
 - Capacity of the private sector to absorb the volumes in each region.
 - Health NZ having suitable mechanisms in place to undertake the outsourcing activity in each region, including setting longer term contracts in place.
 - Clinical support for appropriate prioritisation and allocation of patients.
 - Appropriate and effective monitoring and tracking of patient outcomes.
 - Retaining focus on delivering acute and sub-acute surgery in a timely way.
 - No unforeseen problems to normal production planning.
 - Negotiating acceptable pricing.

Risk mitigation

18. S9(2)(b)(ii)

19. S9(2)(b)(ii)

20. The risk reserve to be held centrally and only able to be released by the Commissioner and Chief Executive jointly.
21. Clinical sponsorship of the programme by the Chief Clinical Officer.



Appendix 1: Nationwide Health NZ - Additional volumes to be delivered by specialty

s 9(2)(b)(ii), s 9(2)(f)(iv)

Appendix 2: Northern Health NZ - Additional volumes to be delivered by specialty

Northern	BASELINE TREATMENTS 2024		ADDITIONAL TREATMENTS PLANNED					PERCENTAGE INCREASE ACTIVITY OVER BASELINE ACTIVITY	
	Treatments for March to August 2024	Treatments full year January to December 2024	March to June 2025	July to August 2025	March to August 2025	September 2025 to June 2026	March 2025 to June 2026	March to August 2025 percentage increase over March to August 2024 baseline	September 2025 to June 2026 percentage increase over January to December 2024 actual treatments
Indicative Health Target for Elective Treatment < 120 days		60.4%	63%				70%		
Total for Northern	28,399	55,891	5,719	2,244	7,963	5,498	13,461	30.7%	24.1%
Dental	1,401	2,617	716	200	916	283	1,199	65.4%	45.8%
General Surgery	6,911	13,821	183	171	354	670	1,024	5.1%	7.4%
Gynaecology	2,761	5,521	-	45	45	227	272	1.6%	4.9%
Neurosurgery	784	1,567	-	-	-	-	-	0.0%	0.0%
Ophthalmology	4,311	8,621	1,705	582	2,287	1,203	3,490	53.1%	40.5%
Urology	2,189	4,283	204	225	429	923	1,352	19.6%	31.6%
Cardiothoracic	1,057	2,114	162	108	270	378	648	25.5%	30.7%
Ear, Nose & Throat	1,807	3,614	1,716	476	2,192	663	2,855	121.3%	79.0%
Orthopaedics	3,239	5,944	839	333	1,172	825	1,997	36.2%	33.6%
Paediatric Surgery	1,309	2,617	-	-	-	-	-	0.0%	0.0%
Plastics	1,324	2,555	18	41	59	189	248	4.5%	9.7%
Vascular	1,309	2,617	176	63	239	137	376	18.3%	14.4%

Appendix 3: Te Manawa Taki Health NZ - Additional volumes to be delivered by specialty

Te Manawa Taki	BASELINE TREATMENTS 2024		ADDITIONAL TREATMENTS PLANNED					PERCENTAGE INCREASE ACTIVITY OVER BASELINE ACTIVITY	
	Treatments for March to August 2024	Treatments full year January to December 2024	March to June 2025	July to August 2025	March to August 2025	September 2025 to June 2026	March 2025 to June 2026	March to August 2025 percentage increase over March to August 2024 baseline	September 25 to June 2026 percentage increase over January to December 2024 actual treatments
Indicative Health Target for Elective Treatment < 120 days		63.5%	63%				70%		
Total for Te Manawa Taki	17,739	35,219	1,209	823	2,032	2,902	4,934	10.3%	14.0%
Dental	1,365	2,683	29	29	58	115	173	4.2%	6.4%
General Surgery	3,226	6,656	156	116	272	426	698	8.4%	10.5%
Gynaecology	1,390	2,835	144	108	252	393	645	18.1%	22.8%
Neurosurgery	128	259	2		2	2	4	1.6%	1.5%
Ophthalmology	3,046	6,008	305	221	526	800	1,326	17.3%	22.1%
Urology	1,042	2,125	72	28	100	68	168	9.6%	7.9%
Cardiothoracic	72	164	5	2	7	3	10	9.7%	6.1%
Ear, Nose & Throat	1,584	2,999	165	122	287	443	730	18.1%	24.3%
Orthopaedics	2,398	4,489	112	98	210	375	585	8.8%	13.0%
Paediatric Surgery	921	1,841	-	-	-	-	-	0.0%	0.0%
Plastics	1,284	2,594	208	95	303	268	571	23.6%	22.0%
Vascular	1,283	2,566	11	4	15	9	24	1.2%	0.9%

Appendix 4: Central Health NZ - Additional volumes to be delivered by specialty

Central	BASELINE TREATMENTS 2024		ADDITIONAL TREATMENTS PLANNED					PERCENTAGE INCREASE ACTIVITY OVER BASELINE ACTIVITY	
	Treatments for March to August 2024	Treatments full year January to December 2024	March to June 2025	July to August 2025	March to August 2025	September 2025 to June 2026	March 2025 to June 2026	March to August 2025 percentage increase over March to August 2024 baseline	September 2025 to June 2026 percentage increase over January to December 2024 actual treatments
Indicative Health Target for Elective Treatment < 120 days		60%	63%				70%		
Total for Central	19,272	36,757	1,533	840	2,373	2,644	5,017	12.5%	13.6%
Dental	1,514	2,847	187	89	276	255	531	18.2%	18.7%
General Surgery	3,938	7,414	44	65	109	279	388	2.8%	5.2%
Gynaecology	1,820	3,513	95	64	159	222	381	8.7%	10.8%
Neurosurgery	221	414	20	15	35	53	88	15.8%	21.3%
Ophthalmology	2,992	5,415	290	172	462	567	1,029	15.4%	19.0%
Urology	1,374	2,707	31	20	51	66	117	3.7%	4.3%
Cardiothoracic	142	273	15	13	28	50	78	19.7%	28.6%
Ear, Nose & Throat	1,582	3,225	182	101	283	322	605	17.9%	18.8%
Orthopaedics	2,416	4,582	251	124	375	368	743	15.5%	16.2%
Paediatric Surgery	1,309	2,617	265	69	334	81	415	25.5%	15.9%
Plastics	1,402	2,625	111	78	189	276	465	13.5%	17.7%
Vascular	563	1,125	42	30	72	105	177	12.8%	15.7%

Appendix 5: Te Waipounamu Health NZ - Additional volumes to be delivered by specialty

Te Waipounamu	BASELINE TREATMENTS 2024		ADDITIONAL TREATMENTS PLANNED					PERCENTAGE INCREASE ACTIVITY OVER BASELINE ACTIVITY	
	Treatments for March to August 2024	Treatments full year January to December 2024	March to June 2025	July to August 2025	March to August 2025	September 2025 to June 2026	March 2025 to June 2026	March to August 2025 percentage increase over March to August 2024 baseline	September 2025 to June 2026 percentage increase over January to December 2024 actual treatments
Indicative Health Target for Elective Treatment < 120 days		55.9%	63%	1,366	2,118	4,713	70%		
Total for Te Waipounamu	19,181	37,157	2,118	1,366	3,483	4,713	8,196	17.1%	22.1%
Dental	1,166	2,291	136	68	204	204	408	17.5%	17.8%
General Surgery	2,883	5,595	119	121	240	487	727	8.3%	13.0%
Gynaecology	1,884	3,527	152	113	265	414	679	14.1%	19.3%
Neurosurgery	219	415	-	1	1	5	6	0.5%	1.4%
Ophthalmology	2,777	5,201	293	210	503	759	1,262	18.1%	24.3%
Urology	1,569	3,073	116	65	180	207	387	11.5%	12.6%
Cardiothoracic	238	464	94	34	128	78	206	53.8%	44.4%
Ear, Nose & Throat	2,529	4,707	301	251	552	955	1,507	21.8%	32.0%
Orthopaedics	2,581	4,913	554	342	896	1,155	2,051	34.7%	41.7%
Paediatric Surgery	718	1,435	89	41	130	114	244	18.1%	17.0%
Plastics	2,153	4,130	131	61	192	171	363	8.9%	8.8%
Vascular	703	1,406	133	59	192	164	356	27.3%	25.3%