

CONSULTATION ON
OPHTHALMOLOGY SERVICES
TALKING WITH OUR COMMUNITIES

NELSON AND MARLBOROUGH

SUMMER 2010



To the people of Nelson and Marlborough

Nelson Marlborough Ophthalmology Service

The District Health Board is looking at how Ophthalmology services in the district might be made more efficient and effective to allow more patients to get the treatment they need.

The Ophthalmology Service has departments based at both Nelson and Wairau Hospitals and provides a wide range of services for the district.

A review as part of the Rutherford Initiative has been completed through numerous meetings with the Ophthalmology Service management, consultant specialists and some nursing and clerical staff.

Analysis of the last four years patient volumes and financial information was included in the review.

The review also investigated different DHB Ophthalmology models throughout the country. This included discussions with clinical personnel at Northland, Bay of Plenty and Southland DHBs.

Two options are presented for consideration in regards to the future development of the service:

1. Outsource all, or part of the Ophthalmology services.
2. Maintain the hospital-based provision of the service but with changes to the models of care and service provision.

The organisation seeks to consult with staff and other key stakeholders on the two options proposed on the basis that both options may have significant merit.

John Peters
Chief Executive
Nelson Marlborough District Health Board

FEEDBACK

We are keen to hear your views on the options presented.

Please return the Feedback Form enclosed by 5pm, Friday 28 January, 2011.

Download the form from: www.nmdhb.govt.nz or from karen.lindsay@nmdhb.govt.nz or phone 03 546 1998

Once feedback is received it will be collated and the proposals reviewed and adjusted if appropriate.

A report on the feedback will be circulated with recommendations and a final implementation plan will be developed for the Ophthalmology service.



Nelson Marlborough
District Health Board

OPTION - Outsourcing

That NMDHB investigates contracting out some or all of the Ophthalmology service. We see the possible scope being:

1. The District-wide Ophthalmology service;
2. The Nelson and or Wairau Inpatient (Acute, Elective and Minor Procedures) and Outpatient (FSAs and Follow-ups Attendances and Laser Procedures etc) service; or
3. The Nelson and or Wairau Outpatient service.

Benefits would be:

1. Avoiding the need to spend \$2.5m on facility redevelopment in surgical outpatients
2. Avoiding the need for duplication of expensive Ophthalmology equipment and the need to have the same in both in public and private facilities, thus ensuring optimum usage of that equipment
3. Avoiding downtime between public and private service provision caused by moving from one facility to another
4. Streamlined patient flows and the consequent consistent meeting of government elective services targets
5. This option suggests that some secondary services could be made more convenient and patients could get treatment sooner in the primary sector at no cost to the patient.

At this stage it is not possible to quantify the operational cost savings associated with this option. This would depend on the terms of a contract, however it is expected that the arrangement would be at least cost neutral for NMDHB in comparison to the current position.

This option, if chosen would take time to implement therefore we would need to start implementing some of the proposed changes in the other option to relieve pressure on the service.

RATIONALE

There would be significant Capital Expenditure Cost Savings as there would be no need to carry out the substantial Surgical Outpatient extensions included in the Nelson Hospital site redevelopment proposal. This would give an overall saving in capital expenditure from the Outsourcing Option of \$2.5 million.

Outsourcing the service is a model that has been successfully implemented by other DHBs.

It would streamline patient flow at no cost to the patient.



PROPOSED TIMELINE FOR CONSULTATION PHASE



OPTION - In House - Changes to current Models of Care

That NMDHB investigates changes to the model of service provision that will reduce the pressure on SMOs, deliver contracted volumes, and address wait-time issues.

1. A permanent Clinical Nurse Specialist position is created
2. The proposed fifth SMO is not appointed
3. The House Surgeon until February 2011 and thereafter the Clinical Nurse Specialist (or an Optometrist or Locum until one can be appointed) will hold a number of clinics each week for Follow-Up Attendances at the same time as one of the SMO clinics. This will include reviewing diabetic photography results in Nelson; which is currently contracted out to a GP (0.1 FTE)
4. The House Surgeon will carry out the Avastin Procedures until February 2011 when the contract ends. At this stage the Clinical Nurse Specialist may have been trained to carry out these procedures. Alternatively the SMOs may have time to do the Avastin treatment as workload pressure would be reduced with the additional Follow-Up clinics being held by the Clinical Nurse Specialist/Optomtrist/Locum
5. SMOs on call would have more support from the House Surgeon/Clinical Nurse Specialist
6. A single wait list would be established to assist in reducing elective pressures
7. Job-sizing would be carried out to address any imbalances in SMO work loads

The total Operating Cost Savings from this option for the three years ending 2012-2013 amount to \$450,000 per annum.

Benefits would be:

1. Senior Medical Officer (SMO) skills better targeted
2. Utilisation of other clinical skills staff (nurses, optometrist) to allow SMOs to focus on procedures/ consultations that only they can do
3. District-wide approach that ensures equity of access for the people of Nelson Marlborough
4. Ongoing annual operational and capex cost savings of approximately \$450,000.

RATIONALE

The rationale for alternative Service Delivery Model is as follows:

Minor procedures have increased due to a new treatment for macular degeneration referred to as the *Avastin procedure.

With the introduction of the new procedure there has been an increase in First Specialist Attendances (FSAs) and Follow-Up attendances over the past four years that is putting pressure on our ability to complete scheduled (elective) procedures.

The proposed model will ensure that specialist staff are able to focus on those procedures / assessments that only they can complete such as cataract surgery.

The model enhances the utilisation of other skilled staff such as Nurses, and optometrists to free up SMO time.

When additional procedure rooms are developed as part of site development, more elective surgery will be able to be completed.

Employing a fifth SMO would increase direct Ophthalmology costs by 9% in a year when Ophthalmology revenues reduced by 7.5%.

This option can commence immediately to alleviate the pressure that the service is currently under and support it in the future. The realignment of services will free up specialists' time to see First Specialist Assessment patients.

ANSWERING YOUR QUESTIONS

Here are some of the answers to the questions you may have about the proposal.

In the service redevelopment how will the new models of care be introduced?

A user group will develop the new models of care based around having some parts of what is currently delivered by SMOs delivered by other trained staff. There may be further consultation in conjunction with HR processes for clinical, nursing and admin staff regarding job structures.

How will a decision be made between the two options?

We will wait for feedback from staff and other stakeholders in the service. Depending on this feedback a decision will be made. It may be that there is no support for outsourcing of the service or we may not be able to reach agreement on an outsourcing contract which will lead to reconfiguration of hospital-based services (or parts) with new models of care and a focus on processes for staff.

Is outsourcing a step toward privatisation of the public health sector?

The proposal to outsource Ophthalmology services to the private sector is in line with "Better, sooner, more convenient health care". The patient doesn't have to pay for these services and there will certainly be no co-payment. This will be the same public service provided in the private sector.

Are Ophthalmology public patients currently treated at specialists' private consulting rooms?

The DHB does from time to time use private specialist capacity to complete contracts and lists

Is this outsourcing model of delivering a secondary public service in the private sector applied anywhere else in New Zealand?

There are several examples of DHBs who have this model working in their district. Bay of Plenty, for example, has contracted out all of its Ophthalmology services for more than five years.

Is there a danger that putting this service into the private sector will raise the price of delivery to the DHB.

There will be clear parameters in the contracts on costs. There is an expectation that outsourced services will be delivered within national pricing.

Are more hospital services likely to be recommended to be delivered in the private sector?

This is something that is not known at present. We are always considering new models of provision in an attempt to work more efficiently and provide better health outcomes to our patients. Rutherford will look at all clinical areas and may make similar recommendations for other services.