

HC60-09-14

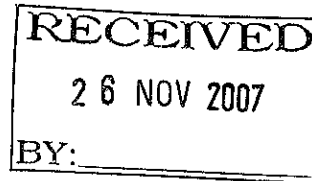
22 November 2007

Dr Debra Graves
Chief Executive Officer
Royal College of Pathologists of Australasia
Durham Hall
207 Albion Street
Surry Hills NSW 2010
AUSTRALIA

Exec Committee
NZ Committee
Suggested Action
By 10/12/07

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Ref. No _____



Dear Dr Graves

Thank you for your letter of 15 October 2007, further to our meeting on 1 October, regarding issues facing pathologists. You have listed four areas of concern and I will address each under the headings used in your letter.

1 Workforce

It is clear that the College and the Clinical Training Agency (CTA) still do not agree with the workforce projections discussed in the 2007 Workforce Analysis report. Future workforce projections are difficult because of the number of variables and assumptions involved.

At this point, the best way forward may be to use forecasts produced by the district health boards' Health Workforce Information Programme (HWIP). As you know, HWIP is developing a model for forecasting future pathology demand and supply. I understand that the College has already had some input into HWIP, and I have asked CTA to do likewise. I am advised that HWIP expect to be able to reach a preliminary estimate of current pathology supply within a few weeks. I hope that this can be the way for all parties to reach a consensus.

2. Tendering arrangements

In many cases the provision of pathology services in the community setting is a commercial activity with services provided by limited liability companies. The round of recent tendering has released many tens, if not hundreds, of millions of dollars for the benefit of the public. Those released funds will go back into the provision of health and disability services in New Zealand.

I was interested in your suggestion of a robust benchmarking exercise as an alternative to contestable tendering. Previously, in New Zealand the availability of relevant information from laboratories has not supported this approach. If the College thinks it is now worth pursuing this matter further, I

suggest you contact Craig Climo, Chair of the DHBNZ Service Improvement Group, C/- Waikato District Health Board, PO Box 934, Hamilton.

3. Improved consultation mechanism

You refer in your letter to a professional advisory committee, and how the College may have input into this committee. This committee is the Professional Advisory Group. It is an internal Ministry group with Dr Pat Tuohy, Chief Advisor (Child and Youth Health) as Chair. The Ministry is reorganising its internal structures to better engage with key stakeholder organisations. The Professional Advisory Group is still evolving as is the work of the Sector Capability and Innovation Directorate, who will be working closely with the broader health sector.

4. Assessment and funding of new technologies particularly genetic testing

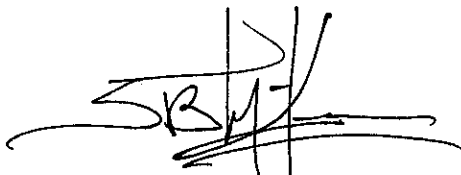
The Service Framework and New Health Intervention Assessment (SPNIA) Framework assists district health boards (DHBs) and the Ministry of Health with health service changes that require a collective decision. The framework covers regional and national collaborative decision-making in two related areas:

- new health interventions (including a new method of delivering an existing treatment)
- service reconfiguration (including the introduction of a new service, cessation of a service, service expansion, quality change or change of providers).

The College may want to approach a DHB to develop a proposal for change on genetic services to be considered through the SPNIA framework. Further information on the framework is available on www.moh.govt.nz/spnia.

Thank you for raising these issues and for meeting with me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S.M.K.', with a large, sweeping flourish underneath.

Stephen McKernan
Director-General of Health