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**Primary health care  
reform in New Zealand:  
how is it faring?**

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# Agenda

- Primary health care context in NZ
- The Primary Health Care Strategy
- Progress with implementation of the strategy
- Challenges for New Zealand in the next phase

# Primary health care historically...

- ❑ Focused on general practice
- ❑ Good same day access
- ❑ Owner operated small businesses
- ❑ Most practices in networks/groupings
- ❑ Targeted government funding (c.50% of practice income)
- ❑ Half of adults paid full consultation cost
- ❑ Some community-governed organisations arose in 1980s and 90s, mainly for high needs populations

## Problems with this in 2000...

- ❑ Cost a major barrier to access to first-contact primary health care (11.4% reported cost as barrier to access in 2001/02)
- ❑ Significant health inequalities related to ethnicity and deprivation
- ❑ These inequalities mirrored in patterns of access to general practice (inverse care law)
- ❑ Increasing levels of chronic disease
- ❑ An ageing population
- ❑ Workforce pressures

# The policy response

- New Zealand Public Health and Disability Act 2000 set out statutory requirement to reduce health disparities
- Primary health care became a government priority
- New Zealand Primary Health Care Strategy published in 2001

# Primary Health Care Strategy aims

- ❑ Better health for all
- ❑ Reduced health inequalities
- ❑ More emphasis on population health
- ❑ Better access to primary health care services
- ❑ Co-ordination, continuity and collaboration
- ❑ Community participation
- ❑ Primary health care fully involved in the health system

# Key elements of implementation

- ❑ Established 80 primary health care organisations to plan, fund and develop PHC
- ❑ Additional \$2.2 billion over 7 years
- ❑ Capitation funding paid through PHOs
- ❑ Intended to lead to a reduction in patient fees
- ❑ And in changed model of care, more focused on prevention and long-term support
- ❑ Prescription costs reduced (from \$15 to \$3)
- ❑ Additional money for rural services

# A critique of the primary health care strategy

- The PHCS was founded on 2 primary health care academic traditions
  - The **Alma Ata perspective** that treats primary health care as an approach to health and community development (**population focus**)
  - The **Starfield perspective** that highlights the importance of comprehensive, continuous first-contact care that is able to co-ordinate care for individuals across the health system (**patient focus**)

# Focus of strategy implementation

- Implementation focused on the Alma Ata perspective as an organising principle
- Starfield vision of strong, comprehensive first-contact care arguably did not receive the attention that was intended

# Achievements of the strategy

- ❑ Significant reductions in the cost of access to first-contact care
- ❑ Increased utilisation of primary health care services
- ❑ Wider range of preventative services
- ❑ Greater focus on management of chronic conditions
- ❑ Inequalities in health status appear to be decreasing
- ❑ Patient satisfaction with primary health care remains high, by international comparisons

# Challenges remaining

- How to strengthen and extend first-contact care at practice and NGO level
- How to change models of care in order to address chronic disease, proactive care, workforce pressures, etc.
- As part of this, giving PHOs the levers to influence public funding of first-contact care
- Engaging general practice more effectively in strategy implementation
- Developing less costly and more consistent after-hours care

## More specifically, there is a need to...

- Set out a rebalanced vision for primary health care, ensuring both patient and population focus
- Work to develop both community *and* clinical leadership in primary health care (moving beyond the 'fees issue')
- Test out different models of integrated PHC provision, including alternative funding and budget-holding approaches

- Clarify the role and functions of a primary health organisation, or of different types of PHO
- Restate the role and expectations of district health boards in relation to PHC
- Better align the system's performance framework to emphasise PHC as a priority
- Explore ways of strengthening leadership and management within PHC (clinical and general)

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