



2015 *Annual Report*

 **WellSouth**
Primary Health Network
Hauora Matua Ki Te Tonga

Chair and CE Report - Kia ora koutou

We take pleasure in presenting the Annual Report and Financial Statements for WellSouth Primary Health Network for the year ended 30 June 2015. WellSouth is a not-for-profit charitable Trust. WellSouth is governed by a board of 10 Trustees, representing the partnership between Iwi, community, primary health providers and the Southern DHB.

This is the fifth year of our operations as the organisation formed by the merger of the previous nine PHOs in Otago and Southland district. WellSouth is responsible for ensuring that primary health care services are provided effectively to the 289,087 patients enrolled with the 88 general practices in the district, all of whom are contracted to WellSouth to deliver these first contact care services.

WellSouth's funding of approximately \$60 million is provided under the PHO Services Agreement (contract) between WellSouth Primary Health Network and the Southern District Health Board. Of this, just over \$41 million is paid to general practices as PHO capitation for first contact care – patients attending their general practice. The PHOs other income is used for specified services and programmes, including CarePlus, Services to Improve Access, Primary Mental Health Brief Intervention Services, Health Promotion, Health Targets and Very Low Cost Access practices. Our financial result for the year ended 30 June 2015 was a loss of \$651,869, as we applied increased funding to provider support initiatives, programmes and services delivery. The board and management of WellSouth are determined to continue with our agreed programmes as best we can despite any funding restrictions. The Trusts Equity (Net Assets) at financial year end was a satisfactory \$481,997.

We have noted previously that primary health is the engine room of New Zealand's health care system and in our district this remains the case. It is important to recognise how important this is and it is evidenced locally by the 980,000 visits by enrolled patients to our general practices annually, an average of 3.4 visits per patient.

General practice is the health care home for patients and where they usually attend first for their health care. Good primary care is acknowledged as the key to delivering effective and efficient healthcare. Therefore WellSouth is pleased to record our continued commitment this year in strongly supporting our contracted general practices, so they may restore people's health when they are unwell, and promote and maintain good health.

This year has been challenging and exciting for WellSouth. Public funding for primary health services remains under pressure and within this constraint we have achieved a great deal. Our many significant initiatives, programmes and outcomes are highlighted within this report, particularly those that made a positive difference and benefited our patients, and their general practice and primary health care providers, who deliver services at the coal face.

Alliance South is the partnership leadership team established between WellSouth and Southern DHB. We have worked together with Southern DHB, and with other providers in the district, to focus on how Southern health services can be designed for a 'whole of system' integrated approach that improves health outcomes for patients. Therefore patients, community and health professionals will have an important input for service design and delivery decision-making under the Alliance South framework. Clinical governance and leadership are also features of Alliance South work.

WellSouth provided significant support for the Rural Service Level Alliance Team as they successfully determined how Rural Funding will be used best to support the sustainability of rural general practice after-hours services into the future. This was a rewarding outcome for Alliance South and highlighted the potential and advantages of using alliance principles to address issues. The implementation of Health Pathways continued under Alliance South's responsibility and we are pleased to note that over 150 pathways are implemented.

At the 2015 Annual General Meeting Trustee Mr Mark Crawford will end his long association with this and earlier PHOs. Mark represents the community and has been on WellSouth's Board since October 2010. Mark was a Trustee of the Takitimu PHO in Western Southland from 2002 until 2010 when Takitimu PHO merged with WellSouth (Southern PHO). We thank Mark for his outstanding contribution to PHO successes through the years, and particularly for his insightful and unwavering advocacy for better health services for rural communities.

Also at our 2015 AGM, Ms Sally Wast will be reappointed as a Maori Representative by Papatipu Runanga; Dr Doug Hill will be re-elected as the representative for general practice following an election process; and Mr Tony Hill will be the community representative nominated by WellSouth's Advisory Group.

We take this opportunity to acknowledge the support and commitment of our partners in primary health, social services, Southern DHB, and community based organisations as we build and embed collaborative relationships to achieve better integrated health services. We thank our contracted general practice teams for their continued unfailing commitment to primary health care.

WellSouth has Trustees, Te Hauora Matua, an Advisory Group and staff who are dedicated and effective. We appreciate and thank them all for their efforts to improve the quality of primary health care to our population.

Stuart Heal, Chair
Ian Macara, Chief Executive

WellSouth Health Target Overview



Health Promotion

The Health Promotion Team's programmes continue to expand and have a positive impact on the health and well-being of the Southern community. Our focus areas include: breastfeeding, mental health, nutrition, alcohol harm reduction, and Smokefree. In addition to some of the programmes described below, the team has made numerous submissions advocating for healthier physical, social, and cultural environments.

BURP (Breastfeeding's Ultimate Refuel Place): An android app and website which helps mothers to pinpoint breastfeeding friendly public places on a map, and leave reviews. Since February over 240 venues have been added and over 5200 people have used the website or app. Jointly delivered with the Southern DHB. www.burpapp.co.nz

Breastfeeding Support Otago & Southland: Peer Supporters continue to be trained across the region. A new website was launched this year to replace the paper pamphlet for whānau to easily locate Peer Supporters in their area and find information online. www.breastfeedingsos.co.nz

Rural Life: Keeping the Balance: Over 250 farmers and rural professionals have been trained to identify signs of stress and mental health problems and start a conversation about it. The programme has been so successful that national organisations are rolling it out to the rest of New Zealand.

Books on Prescription: The evaluation was completed and recommendations are currently being implemented. It is expanding to include other health topics such as diabetes, mood-boosting fiction, and online information. www.booksonprescription.co.nz

Ka Pai sandwiches: Funding continues for the Healthy Heart Award, Early Childhood Educators have also been awarded with reusable sandwich wraps and educational material for their children and their whānau.

RRAW (Risk Reduction Alcohol Workshops): An evaluation was completed which showed that of the 14 workshops undertaken all were very well received. The 260 participants usually strongly agreed or agreed that the workshops met its objectives to increase their capacity to reduce alcohol-related harm. Alcohol ABCs: Has been implemented in MedTech practices to help reduce alcohol-related harm.

Little Lungs – Pūkahu Iti: Professional development workshops for Early Childhood Educators continue to be delivered throughout Otago and Southland. A Kōhanga Reo specific workshop was developed and a new website was created to profile centres and facilitate ongoing communication and engagement. Delivered in collaboration with the Southern DHB. www.littlelungs.co.nz

Work has been undertaken to create more Smokefree outdoor spaces in the Southern Region for example, Cromwell's Heritage Precinct has become Smokefree. The team has also participated in national campaigns, such as Stoptober, Mental Health Awareness Week, and World Breastfeeding Week, made numerous submissions to support healthy public policy, and presented our programmes at national conferences.

Clinical Advisor Report

It was another high impact year with WellSouth continuing to take the lead on clinical leadership and development to support general practices throughout our region.

Highlights include the development of a Locum Service. We recruited a locum on a six month contract who was able to support nine rural practices. The success of this programme was widely acknowledged and it will operate again in the new financial year.

We offered resourcing support to general practice to help them meet primary healthcare targets. In a practical sense this meant sending WellSouth support teams into medical centres to help them sort data and follow up patients.

WellSouth continued to fund the text message system that allows general practice to communicate quickly and easily with patients. Practices can use it to follow up test results and remind patients about appointments. For the WellSouth it's particularly important for advising people trying to quit smoking.

Our commitment to Continuing Medical Education (CME) was ongoing and we were able to facilitate this using WellSouth's video conference technology. On a practical note this saved clinicians from around the region hours of travel and gave them more time with patients.

Long Term Conditions Team

WellSouth Primary Health Network Long Term Conditions team, is a service in support of patients with long-term conditions. Currently in the team there are two Registered Dietitians, five Registered Nurses and three Clinical Pharmacists offering education and clinical support to both health care professionals and patients throughout the district. Through an interdisciplinary team approach the team's focus is on building capacity of both health consumers and primary health care providers by working alongside these groups to enhance self-management, empowerment and health literacy.

The DESMOND programme is delivered by this team. DESMOND (Diabetes Education Self-Management Ongoing and Newly Diagnosed) is a structured group education program for people with Type 2 diabetes. 52 DESMOND sessions have been held with 220 patients attending these sessions. 330 patients have attended our Healthy Eating sessions, a series of four sessions that support patients with healthy lifestyle choices and weight management, facilitated by the dietitians.

Building capacity with Type 2 diabetes management has been a large focus for the team, supporting nurses within their own practices and providing diabetes professional development opportunities. 164 nurses have attended a six hour diabetes study day.

Maori and Pacific Health

The number of Māori and Pacific peoples enrolled in WellSouth has continued to significantly increase with 24,174 (+986) NZ Māori and 5,386 (+247) Pacific peoples enrolled at the end of the year. There were several significant achievements in Māori and Pacific Health during the year. These included:

- Formalising the relationship with Kāi Tahu through the signing of a principles of relationship with Papatipu Rūnaka on 30 July 2014.
- Supporting the successful development of a new Very Low Cost Access practice, He Puna Waiora - Wellness Centre, with Nga Kete Matauranga Pounamu Trust in Invercargill.
- Continuing to support a network of Māori and Pacific providers.
- Developing a treaty and cultural training programme for primary care.
- Continuing to implement the primary care ethnicity data audit tool.
- Funding the following programmes for Māori, Pacific, and high needs patients:
 - o Sexual health
 - o Adult dental care
 - o GP and pharmacy vouchers
 - o Cardiovascular risk assessment and management
 - o Cervical screening
 - o Kaiarahi/cancer navigators
 - o Pacific link workers

Information Technology

The 2014/15 year has been one of high speed implementation. WellSouth's strategy is to use information technology to support primary health. Key achievements include:

- Taking ownership of WellSouth health target data and bringing reporting against Integrated Performance and Incentives Framework targets in-house. This has allowed us to report accurately and on time, giving us clarity on our progress achieving our mandated health targets.
- Development and roll out of new clinical programmes.
- Implementation and roll out of ERMs enabling e-referrals. This streamlines the referral process for patients, clinicians and GPs.
- Developing a partnership with Health Systems Solutions (HSS) to deliver clinical programmes.
- Collaborating with the other South Island PHOs to develop a shared service IT model. Ultimately this will improve efficiency and reduce costs across our services.
- Development of a telemedicine strategy for our region including participation in a South Island wide telemedicine strategy. When implemented, this programme, which has generated national interest, will help people living in remote areas have access to GPs and specialists as if they lived in more densely populated centres.
- Forming a working relationship with the Southern DHB IT team to maximise integration between the two organisations. This helps us make systems easier for patients, clinicians and general practice.

Clinical programmes delivered 2014/15

- Brief Intervention Service
- Palliative Care programme
- GPSI (GP with Special Interest) Skin Lesion programme
- Sexual Health programme
- IV Cellulitis programme

Summary Financial Statements

FINANCIAL HIGHLIGHTS - WELLSOUTH PRIMARY HEALTH NETWORK TRUST

A full copy of the audited financial report for the WellSouth Primary Health Network for the year ended 30 June, 2015 is available from the office at Level 1, 333 Princes Street, Dunedin.

Statement of Comprehensive Income For the year ended 30 June, 2015

	2015 \$	2014 \$
Operating Activities		
Income from Operating Activities	59,353,349	57,829,526
Contract Payments	(52,139,824)	(50,890,331)
Surplus from Operating Activities	7,213,525	6,939,195
Financing Activities		
Interest income	142,951	121,016
Interest on Borrowings	(4)	(18)
Net Financing Costs	142,947	120,998
Operating Expenditure		
Depreciation, Amortisation and Impairment Expenses	(79,513)	(64,396)
Other Overheads and Administrative Expenses	(7,928,828)	(6,691,449)
Total Operating Expenditure	(8,008,341)	(6,755,845)
Surplus for the Year	(651,869)	304,348
Other Comprehensive Income	-	-
Total Comprehensive Income for the Year	(651,869)	304,348

Statement of Financial Position As At 30 June, 2015

Current Assets	4,694,732	5,295,034
Non-Current Assets	294,746	146,692
	4,989,478	5,441,726
Current Liabilities	(4,507,481)	(4,307,860)
Net Assets (Trust Funds)	481,997	1,133,866



Statement of Cash Flows For the year ended 30 June, 2015

	2015 \$	2014 \$
Net cash flows from/(used) in operating activities	(557,610)	89,097
Net cash flows from/(used in) investing activities	(252,565)	(61,155)
Net cash flows from/(used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	(810,175)	27,942
Cash and cash equivalents at the beginning of the year	3,963,611	3,935,669
Cash and cash equivalents at the end of the year	3,153,436	3,963,611

Statement of Changes in Trust Fund For the year ended 30 June, 2015

Trust Funds at the Beginning of the Year	1,133,866	829,518
Net Surplus	(651,869)	304,348
Other Comprehensive Income	-	-
Trust Funds at the End of the Year	481,997	1,133,866

Notes to the Summary Financial Statements for the year ended 30 June, 2015

1. Basis of Preparation

The results presented in the summary financial report have been extracted from the full financial report for the year ended 30 June, 2015, authorised for issue by the Chairman, Mr S Heal, on 30 September, 2015.

As such, this summary report does not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

The entity's full financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and they comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS), as appropriate to public benefit entities.

The summary financial statements have been prepared using the principles of FRS43 and comply with NZ GAAP as it relates to summary financial statements.

The presentation currency is in New Zealand Dollars.

2. Nature of Audit Opinion

The full financial statements of WellSouth Primary Health Network Trust for the year ended 30 June, 2015 and for the year ended 30 June 2014, have been audited with an unqualified audit opinion.

The Year Ahead

The change that is inherent in the New Zealand health sector requires WellSouth to be adaptable. We will continue to provide strong support to our contracted primary care providers and this will include implementing the opportunities that Alliance South considers will deliver a 'whole of system' integrated model that is 'best for patient, best for system' within the primary sector.

This patient-focused approach will require collaboration between professionals and strong team working, both within and across organisational boundaries. Collaboration will also include the people cared for and this will be a feature of Alliance South and WellSouth's work. Primary care teams will need to include a wider range of disciplines. Already we have clinical pharmacists, dietitians, nurse specialists, nurse practitioners etc. supporting general practice, and we will build on these successful initiatives.

We will also continue to build on our strong foundation of promoting wellness and maintaining good health, and to enhance our collaboration with the many different groups and people in our communities as a network. Our Health Promotion and Primary Mental Health teams will continue their exemplary work in this respect.

WellSouth has planned to continue to develop our clinical leadership and operational capacity. We will build our infrastructure and systems to improve the way staff work together to provide increased effective support to our contracted providers. WellSouth's Clinical Quality Committee will oversee this important work. As the complexity of people's health needs increases many consultations will need to be longer. Models of care and the configuration and capacity of practice teams will need to be developed. Therefore primary and community care staff will need to make greater use of technology to increase access and support for patients. WellSouth has successfully trialled telehealth services. Improved IT and web-based support is under development and at the forefront of patient and clinical access. We look forward to patients' shared electronic records being available in real-time for their carers in the near future.

The sustainability of general practice, especially in our rural areas, remains a priority focus for WellSouth. We have active input into the funding review being led by the Ministry of Health. We are advocating that funding needs to be targeted more effectively to reduce health inequities, especially for high needs patients, Maori and Pacific.

Workforce development is also a priority to maintain the sustainability of general practice. We have an aging primary care workforce. WellSouth will continue to work collaboratively with key agencies and organisations to attract and retain graduates into the primary health sector.

WellSouth knows that it is people that make the difference. For patients to receive the best care possible and improve our populations' health. We are committed to ongoing support for our front line clinicians and those who know best what is needed to achieve these outcomes. WellSouth, within available resources, will facilitate high quality education and continuing professional development to enable primary care health professionals to maintain and develop advanced skills.

Finally, the Trustees and staff maintain a strong sense of responsibility to achieve the operational and services delivery objectives of WellSouth's Strategic Plan. The organisation's purpose is to ensure the delivery of real health improvements for our population for "Health and Wellbeing for the Southern Community."