NEW ZEALAND RURAL GENERAL PRACTICE NETWORK

ANNUAL REPORT

FOR THE YEAR 2011

Rural health solutions

Cover image: A patient with a broken femur is treated by a search and rescue paramedic from Fox Glacier.

Contents

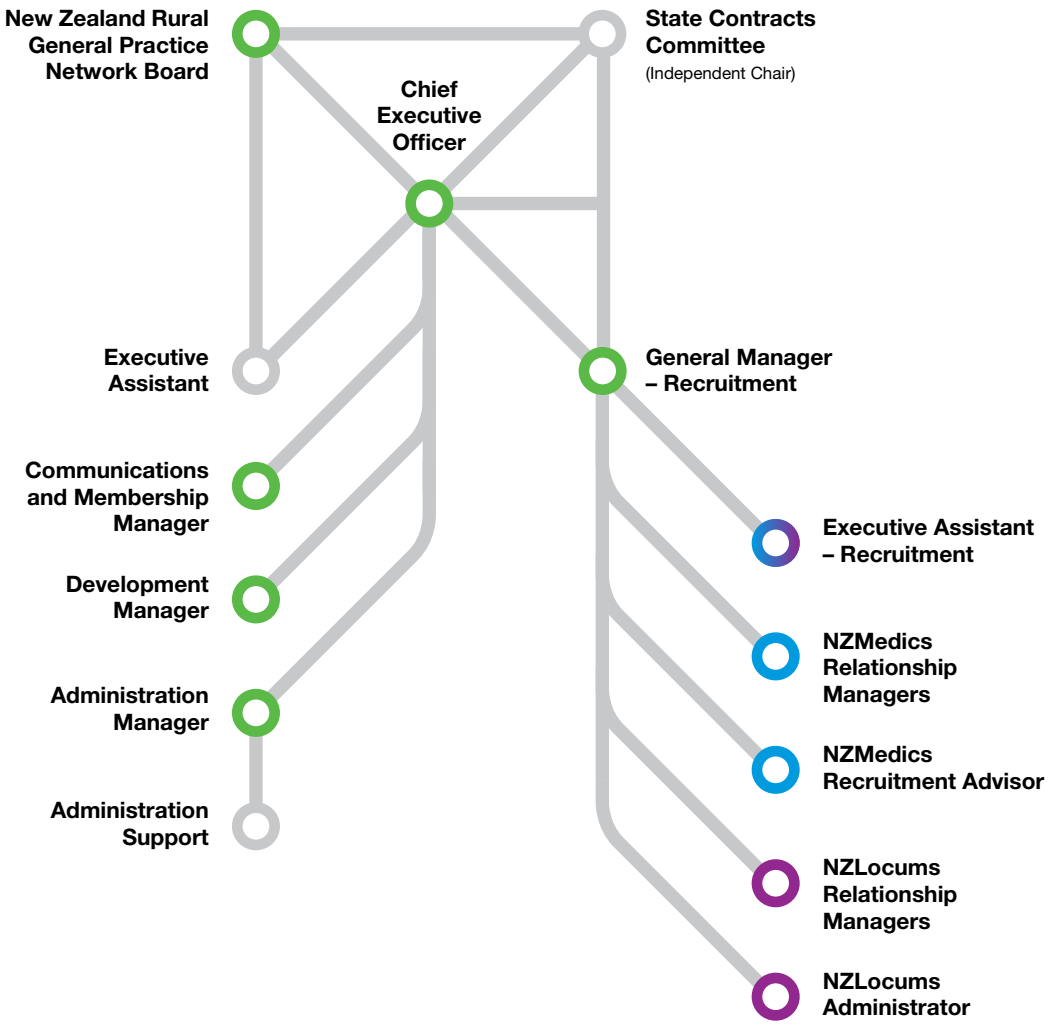
About Us

Welcome to the New Zealand Rural General Practice Network's (the Network) Annual Report for the year 2010-2011.

The Network is the only nationwide membership-based organisation in New Zealand to represent the specific interests of rural health. It is a Wellington-based national organisation with 15 staff (15.5 FTE) that derives its income from multiple revenue streams, as follows:

- Provision of contracted professional national and international rural general practitioner recruitment and locum support services to the Ministry of Health. These services are provided by our team of Relationship Managers and Recruitment Administrators under the brand of **NZLocums**.
- Provision of fee-for-service professional recruitment services for locum placements, urban and rural (where criteria do not meet the Ministry's guidelines under the contracts). These services are clearly delineated from our Ministry contracted services and are provided by our team of Relationship Managers and Recruitment Administrators also under the brand of **NZLocums**.
- Permanent placement of medical professionals, sourced nationally and internationally to fill vacancies in primary, secondary and tertiary care. These services are provided by our separate team of Relationship Managers and Recruitment Advisors under the brand of **NZMedics**.
- Membership services, immigration services and the annual conference are provided by a core group of Network staff under the brand of **NZRGPN**.

Organisational Structure



From the Chair

Jo Scott-Jones, Chairperson

2011 has seen the New Zealand Rural General Practice Network Board develop a new strategic plan, expand its own membership scope and expand relationships across the rural sector. To say it has been a busy year, would be an understatement.

CE Michelle Thompson has been pivotal to our successes this year. Through her professionalism, team focussed management style and calm intelligence she has ensured the strategic direction the board set – to explore new service models, to build relationships and improve systems – has been implemented without neglect to our core business.

Core business

The recruitment of rural doctors and nurse practitioners, and support through locum services to rural practices in New Zealand remains critical to the continuation of health services in the most needy and hard to staff areas of our health system.

Michelle and the office team have not only dealt with the tight financial restraint imposed by the changes to the NZlocums contract, they have more than achieved every target set by that contract, and through this work have been able to provide rural providers with well-deserved time away from "the coalface".

There remain 3 "hot spot" areas of high need that have been and will continue to be the focus of intense work to help address the needs of these communities.

Membership support this year has included intensive activity in support of after-hours changes, key advice and discussion with DHBs around changes in funding and contractual arrangements for some practices, and personal support for practices dealing with ill-health and other issues. The report on these issues extends to 15 pages and this alone demonstrates the on-going need for the Network and the work it performs.

During the year the Network visited two regions in the North Island, and further visits are planned for the South Island in 2012. These visits allow opportunity to identify unmet needs and provide a much needed support to rural practices and their workforce. This year has seen the first "practice membership" subscriptions that enable all named practice staff to become members of the organisation at a discounted price, and a large number of Canterbury practices accepted the offer of free membership following the on-going earthquakes.

New service models

The Network has developed a number of position statements regarding issues such as teaching, obstetric services, after – hours and emergency care, small isolated practices, and seasonal variation in population which affect practices. Along with a draft rural proofing tool and summary of the current rural funding streams, these documents begin to make explicit the opinions we hear as we go about our support work.

The Network has been stretched this year in its response to the Minister of Health's challenge to provide clinical leadership to the process of reviewing the Rural Ranking Score. This has involved the Network in a national review of rural funding and assessment of the services rural practitioners provide, and repeated iterations of a new way of distributing the additional funds that flow into rural communities through the hard won bonus schemes and contracts. The Network's broad approach has been to ensure that the most isolated practices continue to be supported, and that those practices that are providing services to their communities beyond what would be expected in an urban environment are supported to ensure they can recruit and retain providers despite the increased responsibility and workload they undertake.

This work will be further debated and refined in 2012 through the normal channels of contract negotiation and funding review and it remains to be seen how well the final scheme will meet these goals. The Network will remain intimately involved in these negotiations as they progress.

Building relationships

Not only have Network members been involved in providing rural voices on committees in medical and nursing colleges and organisations, we have been part of the GP leaders forum, HWNZ workforce strategy workshops, and provided support to the Ministry of Economic Development's rural broadband advisory group.

Recognising the increasing demand for advocacy on behalf of the health service in rural communities, and the fact that the Network had become the “go to” organisation for this work nationally, the Board decided to once again explore the development of a widely based rural health sector organisation in New Zealand. We are delighted with the response, supported initially by the rural surgical services mobile surgical bus, and the embryonic Rural Hospital Managers group (now the Rural Hospital Network).This initiative has seen the development of an organisation called the Rural Health Alliance Aotearoa New Zealand (RHĀNZ). Modelled on the Australian Rural Health Alliance, this organisation will bring together medical, nursing, pharmacy and allied health groups, with social and political organisations involved in rural communities to develop policy advice and advocate on behalf of communities with a strong unified cross-sector voice.

The Network expects that this organisation will in the future lead response to many of the issues that it has been asked to explore and support over the years, in particular with regard to changing rural health service configurations, and political challenges. This should enable the Network to focus more on its core responsibility in supporting rural health providers and their families.

Internationally, through connections made at the WONCA conference in the Philippines and the ACCRM conference in Alice Springs during the last year, the Network has had the opportunity to explore new ways of delivering educational opportunities to rural practices in New Zealand. The direct benefit of having a significant voice on the international stage can be seen in the range of locums and new providers we have coming to New Zealand through the locum service contracts.

Systems improvement

Along with professional development activities such as the Chair and CE attending the Institute of Directors board training course, and undertaking board process reviews and appraisals, internally the Network board has been delighted to welcome as members Alisha Vara, student representative, Jane Laver, a GP from Dannevirke and Professor Ross Lawrenson of Auckland University Waikato Clinical School. All of these new members bring unique skills and fresh views into the organisation.

This year we have asked members to consider an important change to our constitution that will enable the board to propose changes to the rules and regulations of the organisation and that those changes be able to take place if 75% of members attending an AGM or SGM agree to those changes. Currently changes to the organisation need 75% or more of the members to agree to those changes, and as the organisation has grown in scope and size since these original rules were made, this provision has significantly hampered the board’s ability to consider changes to the way it works.

A simple example is that under current rules the board has to meet monthly, these meetings require office staff to write reports, complete minutes and agendas and although we can reconfigure the meetings themselves, 75% of members have to vote to allow us to have meetings every two months.

Hopefully this year’s AGM will see a resolution to this situation, so that the reviews of board processes and structure that have been undertaken can be considered by members and voted on at the AGM in 2013.

Jo Scott-Jones
Chairperson

The Core Executive

Jo Scott-Jones

Chairperson Dr Joseph Scott-Jones: has been GP principal in Opotiki since 1992. He holds MB ChB (Sheffield UK 1986), MRCGP (UK), FRNZCGP, DGM, Dip Obs, Dip Sports Medicine, MMsc (Auckland) qualifications. He was previously a regional representative on the Board and was re-elected at last year's AGM. He is also chairperson of the Eastern Bay of Plenty PHO and by virtue of his position as Network deputy chairperson is also a member of the GPLF.

See *From the Chair*, page 4.

David Wilson

Secretary and Treasurer Dr David Wilson: has been based in Whitianga for 19 years as a principal in Mercury Bay Medical Centre. He was initially co-opted onto the Board and has been Secretary for seven years. He served on the New Zealand Palliative Care Council for 18 months. David holds an MBBS (London, 1978); attained membership of the (British) Royal College of General Practitioners in 1987 then membership/fellowship of the Royal New Zealand College General Practitioners in 1998. He is also chairperson of the Nominations Committee, a sub-committee of the Network Board.

"Highlights in 2011 were the annual conference in Wellington – both in its content and people and the insight into how the whole Canterbury area is coping post the series of recent earthquakes – and the things the Network has achieved, notably the soon-to-be-completed Rural Ranking Score assessment and review.

"Another notable achievement has been the development of an entire organisation – Rural Health Alliance Aotearoa New Zealand – for rural health involving not only health practitioners but also other facets of our communities. I look forward to ongoing work and progress on these projects.

"Regrettably I will be leaving the Network executive after almost nine years, but my loyalties will always lie with the Network and its values and missions. I look forward to continuing to be involved in its many projects in whatever capacity."

Rachel Hale

Deputy chairperson Rachel Hale: is a Nurse Practitioner in General Practice based at the Matamata Medical Centre. She attained a Masters in Nursing (Rural and Gerentology) and a BBS from Massey University. She is also a member of the Board's sub-committee – the State Contracts Committee – established to oversee the governance of the Ministry's recruitment contracts. Rachel has been a Network Member for six years and a Board representative for four and a half years. Her nursing career spans more than 30 years, all except five years in rural areas.

"The past year has been a challenging one both professionally and for the Network. In March 2011, I began a new role of a Nurse Practitioner Older Person based in general practice. This new role crossed three separate general practices and provided stable health care oversight for eight residential care facilities. This was a demanding role adapting to and developing relationships with the varied practices as well as the care facilities. The practices are all rurally based and are stretched to capacity, and I am able to reduce some of the pressure by undertaking the three-monthly residential reviews and supporting the rural nurses in providing appropriate care that matches their vastly differing philosophies. These philosophies range from community trusts, to Eden principles or 'Spark of Life'.

"The Network Board has been hard at work in 2010/11. One of the highlights has been the involvement in and working with MOH and DHBs to update the Rural Ranking Score over the last year. This work has been important and I believe will be of value to members. I hope that once this work is completed the formula will be as robust as its predecessor.

"For the next year I wish the Network Board will be at the forefront of and the 'go to' experts for any issue related to rural health."

Regional Representatives

Graeme Fenton

Northern North Island representative Dr Graeme Fenton: joined the Network Board in 2009. After graduating MB ChB from Otago School of Medicine in 1965, Graeme established Moerewa Medical Services in Northland in 1967 and has looked after generations of families. Graeme was made a Distinguished Fellow of the Royal New Zealand College of General Practitioners in September 2009. He served on the Northern RHA Board in 1997 and was Director of the Institute of Rural Health from 2000-2001. He established the Northern Rural General Practice Consortium and is Chair of the Te Tai Tokerau PHO Board. Recently he has been involved in improvements to the after-hours service in the Bay of Islands and is working with local GPs and the Ngatihine Health Services to develop an Integrated Primary Health Centre in Kawakawa.

"My last year on the Network Board has been highlighted by the energy and enthusiasm generated within the Board for all things rural and also by the operations' team performance, led by Michelle Thompson, coping with very heavy workloads but always available to support rural health professionals (and Board members) and provide up-to-date information for the Board. The reported enthusiasm generated within the Ministry of Health and the DHBs, in the Rural Ranking Score review, I would hope, is a reflection of the quality (and quantity) of the work done by Michelle and her team.

"The Board is to be congratulated on its performance over the last year and especially of the intelligent leadership displayed by the Chairman, Jo Scott-Jones.

"There are many challenges ahead but I believe we have the personnel to meet and overcome the challenges.

"I would like to thank the Board, Michelle and her team for the support I have received over time on the Board – it was a pleasure."

Ross Lawrenson

Professor Ross Lawrenson is the new Eastern North Island representative on the Board. Ross is Professor of Primary Care, University of Auckland and Head of the Waikato Clinical School. He first moved to New Zealand in 1981 working in Te Kuiti hospital and later becoming a general practitioner in Wairoa. In 1988 he moved back to the Waikato as Medical Superintendent in Community Health Services and District Hospitals. He returned to the UK in 1994 to take up an academic career at Charing Cross and Westminster Medical School. He then moved to the University of Surrey in 1998 becoming Dean of the Postgraduate Medical School. In 2005 he returned to the Waikato as Head of the Waikato Clinical School and Professor of Primary Care. He is particularly committed to the development of research and in supporting environments where students can get excellent clinical experience whether in hospitals or in rural and community placements. He is Chairperson of the New Zealand Committee of the Australasian Faculty of Public Health, a Fellow of the Royal College of General Practitioners (UK), a Fellow of the Faculty of Public Health (UK), Deputy Chair of the New Zealand Guidelines Group and Chair of the National Screening Advisory Committee.

"2011 was a busy year. The personal highlight for me was being invited to join the Network Board. My main interest is to stimulate research into rural health issues and to help highlight the importance of rural general practice in delivering quality health care to rural communities.

Another area of related work I was involved in during 2011 led to the announcement by the Minister of Health in September of the University of Auckland and University of Otago joint initiative to develop a Multidisciplinary Rural Immersion Programme for undergraduate students. I will be leading the University of Auckland programme in Whakatane and I am looking forward of the challenge of developing a rural undergraduate curriculum. It is hoped that the programme will help attract a range of health care professionals in the future to live and work in what has been a traditionally underserved community.

"The third area of activity in 2011 was my involvement in the Midland Regional Clinical Services Planning process. Regionalisation has opened up a number of opportunities and Midland has identified rural health and particularly rural general practice as being a top priority. The region has developed an active working group with representation from the five DHBs as well as local PHOs and the rural network have strong input into this planning group. I am hopeful that this working party will help prioritise rural health issues for the region and that it will also provide a national example of what can be achieved.

"Overall I see 2012 as a year of opportunity despite the obvious financial pressures. I believe that we need to prepare to grab these opportunities as they arrive and having the right information, at the right time helps us do this. Research has a central place in giving us this information."

James Reid

Rural Hospital Doctor representative Dr James Reid: is a full time senior medical officer at Lakes District Hospital in Queenstown and has worked there for eight years. He was previously a general practitioner in Wellington. He has an MB ChB from Otago 1988, DpObst 1990 and FDRHMNZ (Fellow of the Division of Rural Hospital Medicine), and sits on the FDRHMNZ's governing committee and board of studies.

"The benefits of a successful strategic planning day in 2010 were realised during 2011, as we worked towards accomplishing points on the strategic plan – particularly building new relationships with other rural health and community organisations.

"Jo Scott-Jones, Michelle Thompson and I had a great trip to Alice Springs for the ACRRM conference where we got a warm welcome and made formal steps towards mutual recognition of rural hospital/rural GP qualifications between our Division of Rural Hospital Medicine (DRHM) and ACCRM.

"A very successful meeting to explore the formation of an alliance of several rural health groups and others has resulted in the formation of the Rural Health Alliance Aoteoroa New Zealand (RHĀNZ), and launched at this year's conference. This a significant step towards a much-needed common rural voice initiated by the Network.

"In the Division of RHM, I'm delighted to see the graduation of our first registrar through the Fellowship course. We continue to have great candidates applying for our rural hospital training, which is very satisfying.

"As a seconded member on the board and as a relative newcomer, I have been continually impressed by how the Network continues to punch above its weight.

Michelle Thompson and her team have done a mountain of work researching and consulting on the Rural Ranking Score. The Network has gone from strength to strength this year."

Fiona Bolden

Western Middle North Island representative Dr Fiona Bolden: is from Devon in the United Kingdom and completed an MB ChB at Bristol University in 1990. In 1991/92 she came to New Zealand and worked in Napier. After returning to the UK and completing her GP training she took up a partnership in Devon where she worked for five years. In 2001 she returned to New Zealand working as a locum in Te Awamutu and then in Kawhia. In 2002 Fiona joined a practice in Raglan, which she bought in 2004. She holds MRCGP, FRNZCGP, Dip Ac (diploma in acupuncture) qualifications and a strategic leadership diploma.

"The Network's Board has undergone a number of changes this year, possibly the most obvious being Jo Scott Jones taking on the position of chairman. He has done this with total commitment despite also being a busy rural GP and a family man. I would like to acknowledge his hard work and have learnt much from watching his leadership skills in action.

"Last year the Network managed to keep a very important funding stream going by winning the Government tender to provide locums to rural general practices after a huge input from the Network team led by our magnificent CE, Michelle Thompson.

"Another huge body of work, of which you will hear more, is that done around rural funding models, trying to match the funding to the extent of rurality and the services provided. Again I would like to acknowledge the Network's Linda Reynold's efforts; she has collected enormous amounts of information from practices to try to make sense of how this would work for you all.

"As we look forward to the next year we see the development of the Rural Health Alliance Aotearoa New Zealand, which will bring exciting new ways of working together for the good of rural communities. As for myself, for the first time in my life I will be working part-time in the practice, which should free up more time for Board activities, various other projects and most importantly my family. Keeping the balance within our lives is a continual challenge."

Kamiria Gosman

Southern North Island representative Kamiria Gosman: is of Nga Puhi, Ngati Kahungunu ki Wairoa and Ngati Tautahi descent and has lived in the central North Island plateau for 32 years, currently residing in Turangi. Kamiria is a retired nurse and midwife and was Chief Executive Officer of Tuwharetoa Health Services Limited for 15 years. Kamiria has extensive experience and expertise in a range of health services, nursing, midwifery, child and family health, and education. Kamiria held a position as Director of Rural Health for the North Island – Nursing for three years with the Institute of Rural Health, now the NZ Institute of Rural Health. Kamiria is currently an Independent Reviewer for Quality Improvement & Accreditation.

"Relationship building remains a key role at all levels of the Network.

"The Network Board supported and approved the establishment of a Kaumātua Kaunihera to guide and advise Board members. Colonel William (Bill) Nathan, OBE, ED, and recently retired from the position of the Usher of the Black Rod has assumed this important role. Bill is of Te Ati Awa descent and joins Herewini Neho, who is of Ngā Puhi descent and a long-time resident in the South Island as a Network representative. Herewini is the Kaumatua mental health, Southern Health Invercargill.

"Network management, staff, a GP and Kaumatua attended the cultural Orientation at Te Papa in Wellington to evaluate the effectiveness of the programme for new locums. It was agreed that the programme was informative and a valuable experience for new locums and their families.

"Management and staff were welcomed to the Pipitea Marae and completed Treaty of Waitangi training. The day also included training in the Health and Disabilities Consumers Code of Rights 1996 that enables the recruitment team to brief new locums during the orientation programme to ensure consistency before joining a practice.

"A relationship has also been established with Te Ohu Rata – Māori General Practitioner organisation – and relationships with some District Health Boards and Primary Health Organisations remain invaluable and a sound source of information relative to the general practices in the region."

Challenges for 2012 include:

- The current health environment focus on "regions" will present a challenge for national organisations and creative initiatives will be required.
- Support for members and practice members in the southern North Island remains a challenge.

Sharon Hansen

Northern South Island representative Sharon Hansen: is a Nurse Practitioner based in Temuka. Sharon has both Bachelor's and Master's degrees in Nursing, has diplomas in psycho paediatrics and general obstetrics and in 2007 she attained Nurse Practitioner status. Sharon joined the Board in 2007 as Southern South Island region representative.

"A major highlight in 2011 was the positive progression in the Rural Ranking Score review, which when completed will benefit a number of practices that have not previously been included. It has been a long time in gestation but now is coming to fruition and will give practices certainty with their funding. The down-side of the review is that there are a number of previously eligible practices that will no longer receive funding. Some of these practices have shared after-hours with other rural practices although they are not far enough away from an urban centre to be deemed rural themselves.

"High on my wish list is a way forward for all health professionals who provide services to rural and semi-rural communities to do their jobs, unhindered by bureaucracy. Team work will be the order of the day with mutual appreciation, which is recognised by DHBs and government. Rural nurse specialists who wish to register as nurse practitioners will be funded and supported and a funding stream allowing for rural nurse practitioners to work within general practice will eventuate.

"It was an inspiration working with Kirsty Murrell-McMillan and I was very pleased with her recognition in the New Year's honours. I would like to wish her well for the future. It has also been a privilege working with the Network staff led by CE Michelle Thompson."

Jane Laver

Dr Jane Laver is the new North Island representative on the Board. Dr Laver is a GP partner in Dannevirke's Barraud Street Health Centre. Dr Laver began her medical training in 1980 at Guy's Hospital in south London and she qualified in 1985. She is also an ordained Minister in the Anglican Church.

"I joined the Network Board about a year ago as the North Island representative and have spent most of this time getting to know how things work. It has been extremely interesting observing the movers and shakers on the Board. I have been impressed with the huge contributions made by all Board members and I hope that once I have found my feet I will be amongst them.

"My special area of contribution will be education in rural health. The practice I work in is well placed as it hosts fifth year RIMP students, registrars, occasional TIs, nursing and midwifery students and two nurses working towards Nurse Practitioner status. I am also on a working group for closer collaboration with rural pharmacies.

In my spare time I contribute towards the upbringing of my four children, teach basic French and run a primary school book club."

Martin London

South Island representative Dr Martin London: has been a rural GP since 1983 and a salaried practitioner for the South Westland Practice since 2005. He is a Clinical Senior Lecturer at the University of Otago for the Rural Medical Immersion Programme, convener and founding member of the New Zealand Rural General Practice Network (1992) and intermittent board member since that time. Martin is on the Rural Premium Review Panel and Chair of the Network's Membership Committee. He pioneered the original rural GP locum service via the Centre for Rural Health (Christchurch) in 1996. Martin is also on the reference group for Health Workforce New Zealand's review of Training for General Practice. Martin holds a MB ChB (Bristol 1977), a Dip.Obst. (Otago) and is a Fellow of RNZCGP.

"Putting the Christchurch earthquakes aside, 2011 was not so much a year of highlights but more one of consolidation for the Network.

"I sense this is through the increasing strength of our team at the office, nurtured by excellent leadership at both management and governance levels. I believe this has helped to grow a stronger relationship with the Ministry of Health and the DHBs, largely through our engagement around the new Rural Services Support Tool (RSST). The level of trust between these groups reflects the Network's position as a highly respected organisation.

"To see the re-emergence of a national rural health organisation, now the 'Rural Health Alliance Aotearoa New Zealand', is another exciting development, which I hope will be regarded positively by the Ministries.

"It has been good to see increasing involvement of students and younger rural practitioners moving onto leadership roles. We do need to give these members concrete tasks to increase their engagement and experience within the Network.

"This year we roll out the 'Practice Membership' rate to reduce individual cost, to increase representation and to improve subscription income. I hope that the early uptake of this option will continue, encouraged by the establishment of the RSST.

"In my own practice, the highlight has been to gain a partner, Dr Sheryl Larsen, so, through working more civilised hours, we may both 'have a life'. I believe this is a vital retention model, which funders and planners need to embrace at every level if we are to have a creative workforce for rural New Zealand, and we need to apply it also within our own organisation.

"Finally, I offer vast thanks to Network CE Michelle Thompson and her team."

Alisha Vara

University of Auckland Grassroots Rural Health Club representative Alisha Vara has completed her first year on the Board as medical student representative after taking over from counterpart Darran Lowes in March last year. As part of her role on the Board, 20 year-old Alisha coordinates the four rural health groups across both medical schools – Auckland and Otago – and promotes student involvement in rural health. Alisha grew up in the South Island and is now a fifth year student at Auckland medical school.

"2011 has been a challenging but worthwhile year for all the students from Auckland (Grassroots), Otago (Matagouri), Christchurch (Country Scrubs), and Wellington (The Boot) medical schools. Spread from Dunedin to Whangarei, each site has had its own highlights and successes.

"In May the New Zealand Medical Students Association conference gave some of us a chance to meet and we ran a rural health stall for the other students, with information on the four rural clubs and the charming Daisy the Cardboard Cow.

"The Network's annual conference held in Wellington in 2011 was another event which brought together many students from around the country and gave us an opportunity to socialise, including Saint Patrick's Day festivities and a dinner serenaded by a belly dancer.

"We are all hugely appreciative of the support we have received from the Network this year. Dr Fiona Bolden, a fellow Board member attended the NZMSA leaders' workshop in Wellington at the start of the year, designed to provide a forum for strategic planning of our executives.

"With sponsorship from the Network, Otago's Matagouri Club was able to put on a wilderness weekend for their students. Auckland (Grassroots) was very grateful to receive support so they could do their annual schools visits around the wider North – where they visit rural high schools and provide fun, interactive and thought-provoking sessions to encourage interest in medicine as a career for those who may otherwise not be encouraged.

"Our thoughts go out to all the Christchurch students (Country Scrubs) in the wake of the ongoing earthquakes the region has had to deal with and we are all standing behind you for an even more successful year in 2012.

"One of the challenges this year has been keeping everyone from around the country up to date with each other's activities, and although we want to collaborate more across the rural health groups, the geographical barrier has been challenging. For 2012 we plan to set up a Facebook group and use more student-friendly forums to maintain and improve our relationships."

State Contracts Committee

David Clarke, independent chairperson, State Contracts Committee

Reporting to the Network Board, the State Contracts Committee (SCC) has responsibility for monitoring the Network's performance and delivery under the Ministry of Health-funded Rural Locum Support and Rural Recruitment Service contracts.

The key focus of the committee during the last financial year has been to consider the following issues:

The SCC considered the supervision of IMGs in particular compensation for the time that this required. SCC considers that the provision of supervision is a professional responsibility.

The SCC reviewed the Network's delegated authorities, process of allocation and prioritisation methodology and determined that these were up to date and relevant.

The Board requested the SCC look at flexibility around on-call rates for locums and the SCC determined that there should be a degree of discretion associated with these rates.

A Risk Management and mitigation plan was developed and this included analysing the Network's significant risks, for example (but not limited to):

- Exchange rates
- Market relativity
- Intellectual property
- Health and safety
- Legal and compliance e.g. Privacy Act
- IT systems
- Code of conduct.

A comprehensive plan to address these and other risks has been developed by management and these will be periodically assessed by the SCC.

A quality plan is also being developed and this will be completed in 2012.

The SCC was also asked to consider the introduction of a payroll fee and after analysis recommended that this be implemented to compensate for costs incurred.

The SCC considered the remaining recommendations from the LECG report and as these have all been completed. This matter is now closed.

The SCC at each meeting reviews the NZLocums quarterly report and in particular hard to fill vacancies and hot spots.

Members of the State Contracts Committee are:

- David Clarke, Chairman
- Dr Bernard Conlon, General Practitioner
- Rachel Hale, Nurse Practitioner.

NZLocums

General Manager Recruitment, Julie Wilson

There are two components to the Ministry of Health's Recruitment Contract:

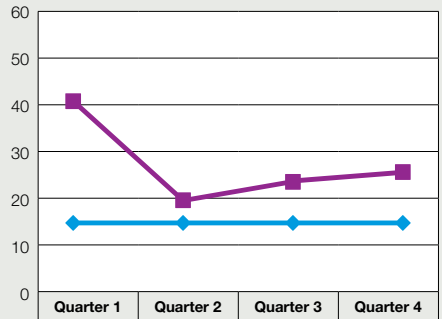
- **Rural Locums Support Service** (short term) – the purpose of this service is to ensure that eligible providers (currently those with a rural ranking score of 35 or more, but excluding those in Northland) can access up to two weeks' locum relief per 1.0FTE, per annum. Our target for 2011 was to complete at least 75% of applications received, against which we delivered 91% (16% above target).
- **Rural Recruitment Service** (long term) – the purpose of this service is to assist eligible rural providers (currently those with a rural ranking score of 35 or more) with recruitment of long term or permanent General Practitioners and Nurse Practitioners. Our target delivery for 2011 was 60 placements, against which we made 109 placements (82% above target).

Performance against Contractual Targets for the 2011 Calendar Year:

Short Term Placements

	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Target	75	75	75	75
Percent Completed	96	94	94	79

Long Term Placements



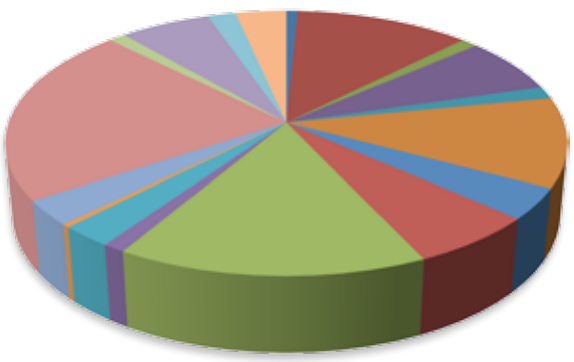
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Long Term Number of Placements Completed	41	19	23	26
Long Term Target	15	15	15	15

NZLocums

Placements by DHB region

The top three DHB regions to receive locums sourced by NZLocums in 2011 were Waikato, Canterbury and Southern.

Rural General Practice placements made by DHB Region 2011

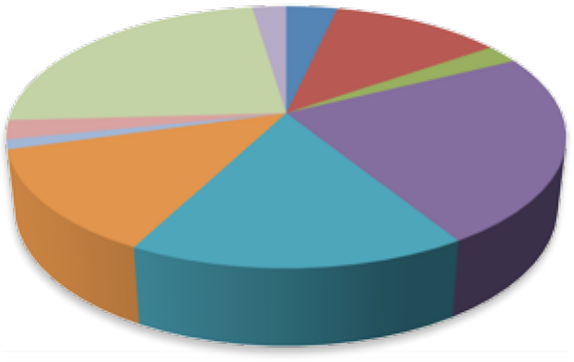


- Bay Of Plenty District Health Board
- Canterbury District Health Board
- Counties Manukau District Health Board
- Hawkes Bay District Health Board
- Lakes District Health Board
- MidCentral District Health Board
- Nelson Marlborough District Health Board
- Northland District Health Board
- Otago District Health Board
- South Canterbury District Health Board
- Southland District Health Board
- Tairawhiti District Health Board
- Taranaki District Health Board
- Waikato District Health Board
- Wairarapa District Health Board
- Waitemata District Health Board
- West Coast District Health Board
- Whanganui District Health Board

Where did our Locums come from?

The top three countries from which NZLocums recruited locums in 2011 were: United States of America; England and the Netherlands.

Countries from which locums were recruited from in 2011



- Australia
- Canada
- Denmark
- England
- Netherlands
- New Zealand
- Scotland
- Singapore
- United States of America
- Wales

Strengthening relationships with PHOs and DHBs

A key focus of 2011 was to continue strengthening our relationships with PHOs and DHBs to better understand the long term recruitment issues pertaining to their region, then to work together to solve the "hard to fill" vacancies and "hot spots". This year members of the management team, working alongside various board members, attended meetings with DHBs, PHOs and practices around the country.

Hard to fill hotspot vacancies in Rural General Practices as at 31 December 2011

1. Vacancies which have been on our books for more than three years.
2. Are unplanned and unresolved recruitment problems. They are not yet under control but are being worked on consistently in conjunction with the DHB and PHO.

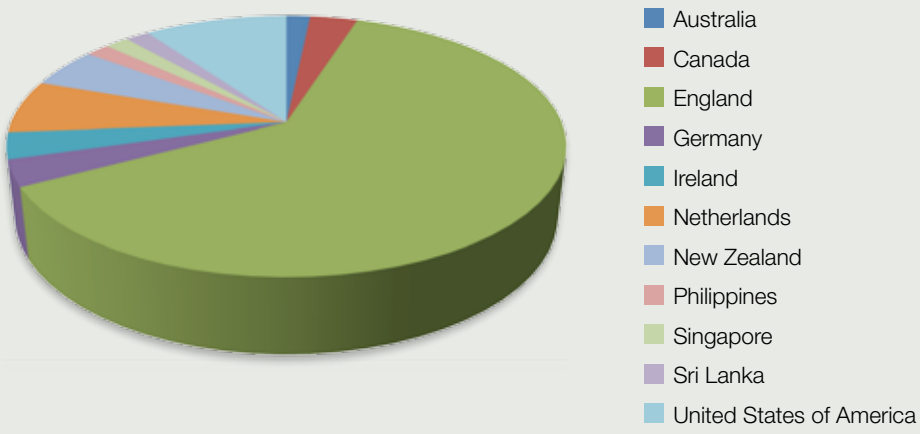
NZMedics

In 2011, NZMedics strategic plan was to target specialists in areas of high need throughout New Zealand. They focused on three areas of specialty: Psychiatry, Emergency Medicine and Internal Medicine. NZMedics successfully exhibited at the ACEP (American College of Emergency Physicians) Emergency Medicine conference held in San Francisco in September 2011 and also at the USPC (United Sates Psychiatric Congress conference) held in Las Vegas in November 2011. They will also attend the ACP (American College of Physicians) Internal Medicine conference in April 2012. Leads from these conferences will begin to show in the following 12 to 24 months due to the length of time it takes to recruit overseas doctors and process them through the medical council and immigration processes.

Where did our Medics come from?

The top three countries from which NZMedics recruited in 2011 were: England; United States of America and the Netherlands.

Countries from which medical professionals were recruited from in 2011



Immigration service

Our immigration service is now secured with Julie Wilson, General Manager Recruitment, having gained her full Immigration License in 2011 and is able to provide immigration advice to all our International Medical Graduates should they require it. This is a valued added service which complements our recruitment service.

Two more staff will commence their provisional licenses in 2012, with Julie providing the required supervision.

NZMEDICS

Financial Reports

New Zealand Rural General Practice Network Inc.
Summarised Statement of Financial Performance

For the year ended 30 June 2011

INCOME	2011	2010
Income Received	5,340,336	6,917,952
LESS: DIRECT COSTS	2,830,873	4,033,337
GROSS SURPLUS	2,509,463	2,884,615
LESS: EXPENDITURE		
Amortisation	75,475	66,491
Audit Fees	15,757	11,748
Legal Fees	37,082	58,181
Depreciation	40,747	50,984
Kiwisaver Employer Contribution	13,120	13,861
Rent	126,500	88,397
Salaries & Wages	1,317,831	1,272,810
Advertising	237,425	193,154
Conference & Trade Shows	23,898	48,461
Other Expenses	832,487	811,868
TOTAL EXPENDITURE	2,720,321	2,615,955
NET SURPLUS	($210,857)	$268,660

New Zealand Rural General Practice Network Inc. Summarised Statement of Financial Position

For the year ended 30 June 2011

EQUITY	2011	2010
Accumulated Funds	1,762,728	1,973,585
TOTAL EQUITY	1,762,728	1,973,585
Represented By		
CURRENT ASSETS	2,436,535	2,548,617
FIXED ASSETS	141,794	166,898
INTANGIBLE ASSETS	481,221	556,696
TOTAL ASSETS	3,059,550	3,272,211
CURRENT LIABILITIES	1,296,822	1,298,626
TOTAL LIABILITIES	1,296,822	1,298,626
NET ASSETS	$1,762,728	$1,973,585

New Zealand Rural General Practice Network Inc. Statement of Movements in Equity

For the year ended 30 June 2011

	2011	2010
Balance at Beginning of Year	1,973,585	1,704,925
Net Surplus/ (Deficit)	(210,857)	268,660
Total Recognised Revenues and Expenses	(210,857)	268,660
BALANCE AT END YEAR	$1,762,728	$1,973,585

* The above financial information has been extracted and summarised from the 30 June 2011 audited accounts of the New Zealand Rural General Practice Network Inc, for which an unmodified opinion was issued. The Auditors, PKF Martin Jarvie have reviewed the summary financial report prepared in accordance with FRS-39 and for consistency with the full financial report. The summary financial report does not provide a complete understanding as provided by the full financial report of the financial performance and financial position of the entity adopted on 16 December 2011. The data represents the performance of the New Zealand Rural General Practice Network Inc activities. A full set of accounts is available to Members of the Society upon request to the Chief Executive.

Authorised:

Dr Jo Scott-Jones
Chairperson

Dr David Wilson
Treasurer

Dated 21 February 2012

Audit Report

PKF
Accountants &
Business Advisers

Report of the Independent Auditor on the Summary Financial Statements

To the readers of the New Zealand Rural General Practice Network Inc.

The accompanying summary financial statements, which comprise the summarised statement of financial position as at 30 June 2011, the summarised statement of financial performance and statement of movements in equity for the year then ended, and related notes, are derived from the audited financial statements of New Zealand Rural General Practice Network Inc. for the year ended 30 June 2011. We expressed an unmodified audit opinion on those financial statements in our report dated 16 December 2011. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required for full financial statements under generally accepted accounting practice in New Zealand. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of New Zealand Rural General Practice Network Inc.

Executive Board's responsibility for the Summary Financial Statements

The Executive Board is responsible for the preparation of a summary of the audited financial statements in accordance with FRS-39: Summary Financial Reports.

Auditor's responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810, "Engagements to Report on Summary Financial Statements."

Other than in our capacity as auditor we have no relationship with, or interests in, New Zealand Rural General Practice Network Inc.

Opinion

In our opinion, the summary financial statements derived from the audited financial statements of New Zealand Rural General Practice Network Inc for the year ended 30 June 2011 are consistent, in all material respects, with those financial statements, in accordance with FRS-39.

21 February 2012
PKF Martin Jarvie
Wellington

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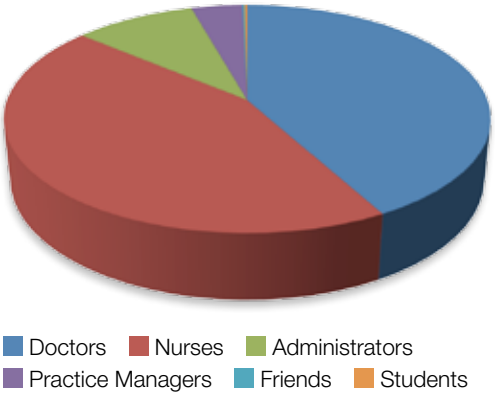
Network Membership

Communications and Membership Manager, Rob Olsen

Major Membership activities this year include:

- ongoing work on a review of the Rural Ranking Score in conjunction with the Ministry of Health and DHBs
- introducing a "practice membership rate" for the 2011-12 financial year.
- changing membership renewal from calendar to financial year
- organising the annual conference to be held in Queenstown in March, 2012
- notification of change to constitution (clause 36).

Network Membership as at February 2012



RRS

Work on reviewing the Rural Ranking Score is ongoing. In late 2010 the Network circulated a survey to 210 practices seeking feedback to inform the redefinition of the RRS. This is a complex piece of work and has been the number one priority for the Network during the past two years.

Conference

The Network's annual conference, the rural health sector's showcase event, takes place in March in Queenstown this year. The conference is an opportunity for Members and others to join together for CME accredited workshops and plenary and concurrent sessions, hear keynote speakers and network and socialise with peers. This year's conference is titled "The Changing Face of Rural Health".

Membership

Membership currently stands at 1033 – 434 doctors, 456 nurses, 98 administrators, 41 practice managers, 2 friends and 2 students. (See pie graph this page). Of this total the new practice rate has seen 79 new doctors, 232 new nurses, 37 practice managers and 98 administration staff join the network.

Levy structure for 2012

A new practice rate has been adopted by the Board and is currently being offered to rural practices New Zealand-wide. It has been adopted in conjunction with the existing "Individual" rate. All rates have been marginally increased for the 2011-12 financial year to allow the Network to cover costs, including administration regarding Membership.

The adoption of a financial year cycle instead of a calendar year cycle means Members will be charged for six months Membership – from January 2012 – June 30, 2012, then invoiced for a full year from July 1, 2012 to June 30, 2013. This brings Membership into line with other financial cycles within the Network.

To date about 42 practices have opted for the new practice rate. The remaining 70 practices are being contacted by telephone to determine what option they prefer. The goal is to have the majority of practices join the Network as members under the new rate by June 30, 2012.

According to our database there are approximately 1548 rural general practitioners (and others): (717 Nurses, 563 GPs, 268 others/Managers, etc). The introduction of a practice rate could potentially result in another 700 Members signing up for the 2012 year and beyond.

Regional membership/advocacy visits

A round of Membership visits are scheduled for early 2012. The first is on March 12 – 16 to rural Canterbury as a follow-up to the earthquakes that have impacted the region since September 2010. Complementary Membership was offered to Canterbury practices following the first quakes.

The second visit is to the West Coast of the South Island immediately after the Canterbury visits.

Student membership

ARHA student representative on the Network Board Alisha Vara has completed her first year in the role, after taking over from Darran Lowes. See separate report on page 10.

The Network has also provided funds to various student health clubs to carry out its activities.

The Matagouri Club applied for and was paid $1000 for its rural activities in the 2011 year.

Grass Roots, Auckland received $1000 for its “Grow Your Own” rural high school road show Waikato.

$965 was spent on sponsorship in the Wellington based The Boot’s rural weekend.

Complementary conference registrations have also been offered to each of the student groups – approximately 25 in total.

Work is ongoing on several issues and initiatives that ARHA and the Board can work on together. These include:

- NZRGPN to provide clarity around graduate career pathways in rural (via website or information pack given to new student Members)
- Provide a database of rural health professionals willing to assist students (work together to encourage more rural GPs to host students)
- Develop a database of rural GPs willing to host students
- Develop students as future leaders in rural health – NZRGPN could facilitate leadership development seminars where rural health professionals could pass on their skills. The annual NZRGPN conference could be the forum for this type of seminar
- Involve NZRGPN in follow-up on rural school visits by student rural health groups (SRHGs) designed to encourage younger students from rural areas to pursue careers in rural health
- SRHGs promote NZRGPN membership to medical students in Auckland and Otago and approach other groups such as student nursing associations
- SRHGs present a session at the RGPN annual conference.

The Board is currently looking at ways to incorporate these activities into the Strategic Plan for 2011-2013.

Rural health solutions

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RURAL
GENERAL PRACTICE NETWORK

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