

15 July 2022



Tēnā koe [REDACTED]

Your Official Information Act request - Outsourced elective procedures and surgeries

Thank you for your Official Information Act request transferred to us on 15 June by the Ministry of Health seeking information from the former Waitematā District Health Board (DHB) about outsourced procedures and surgeries.

"I would like to request the following information for each of the DHBs in New Zealand, split by DHB.

- 1. The total number of procedures outsourced by year (including the year-to-date) for the past five years.*
- 2. For each year, provide a breakdown of the type of procedure.*
- 3. For each year, provide the total spend on outsourced elective surgeries.*
- 4. For each year, provide the amount that these surgeries would have cost the DHBs if they had not been outsourced."*

On 16 June we sought clarifications to your request and on 19 June you clarified as follows:

1. Are you seeking (either as included or separated) the procedures we have sent to private providers and the patient does not attend their appointment (these are reported as 'Private Provider DNA').
Your response: **No.**
2. Are you seeking (either included or separated) the procedures where a private provider either stated the exam is no longer required or the form was returned to us as the patient was not contactable (reported as 'Private Provider Cancelled').
Your response: **No.**
3. Elective procedures includes radiology and endoscopy, for example. Do you want details on these types of procedures also or just elective surgeries?
4. Your response: **Yes, I would like details on these types of procedures also, please.**

Before responding to your specific questions, it may be useful to provide some context about our services.

Waitematā is the largest and one of the most rapidly growing health districts in the country, serving a population of around 650,000 across the North Shore, Waitakere and Rodney areas. We are the largest employer in the district, employing more than 8,900 people across more than 80 locations.

In addition to providing care to our own resident population, we are the Northern Region provider of forensic mental health services and child rehabilitation services, plus the metro Auckland provider of child community dental services and community alcohol and drug services.

In response to your request, we are able to provide the following information:



1. **The total number of procedures outsourced by year (including the year-to-date) for the past five years.**
2. **For each year, provide a breakdown of the type of procedure.**
3. **For each year, provide the total spend on outsourced elective surgeries.**
4. **For each year, provide the amount that these surgeries would have cost the DHBs if they had not been outsourced**

We are providing a combined response for questions 1 to 4. Please refer **Attachment 1**.

Please note there were no outsourced otorhinolaryngology (ORL) or orthopaedic procedures after 2018 due to the opening of the Elective Surgical Centre on the North Shore Hospital campus, which increased our in-house surgical capacity.

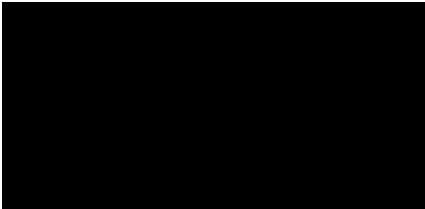
As indicated in the attachment notes, casemix between outsourced and in-house procedures can be vastly different, with more complex procedures being performed in-house than those that are outsourced.

I trust that this information is helpful.

Waitematā DHB supports the open disclosure of information to assist community understanding of how we are delivering publicly funded healthcare. This includes the proactive publication of anonymised Official Information Act responses on our website from 10 working days after they have been released.

If you consider there are good reasons why this response should not be made publicly available, we will be happy to consider your views.

Yours sincerely



**Executive Director Hospital Services
Te Whatu Ora Health New Zealand Waitematā**

Outsourced procedures

Financial year	Skin Lesion removals			Gastroenterology scopes			ENT surgical procedures (1)			Orthopaedics surgical procedures (1)			Endocrinology bone scans		
	Events	Outsourced cost	Estimated cost (3)	Events	Outsourced cost	Estimated cost	Events	Outsourced cost	Estimated cost	Events	Outsourced cost	Estimated cost	Events	Outsourced cost	Estimated cost (5)
2018	2672	850,049	5,551,136	1166	1,505,558	2,758,863	104	881,014	412,242	2	10,588	15,060	2422	140,051	359,662
2019	3104	1,035,464	7,976,904	2493	2,645,032	2,713,323	ENT and orthopaedics not outsourced after 2018						2702	156,289	413,224
2020	3419	1,369,619	9,655,039	3134	4,046,753	4,160,653							3382	208,034	493,477
2021	3672	1,424,959	9,233,803	3775	4,813,021	5,062,736							3252	198,885	507,808
2022 YTD April	2505	734,301	4,686,161	2205	2,921,761	3,342,285							2350	153,778	436,661

Radiology procedures

Financial year	Ultrasounds			MRI			CT scans			PET scans			General Radiology			Interventional Radiology		
	Events	Outsourced cost	Estimated cost (4)	Events	Outsourced cost	Estimated cost (4)	Events	Outsourced cost	Estimated cost (4)	Events	Outsourced cost	Estimated cost (5)	Events	Outsourced cost (2)	Estimated cost (4)	Events	Outsourced cost	Estimated cost (4)
2018	8,228	1,268,782	1,877,057	1,041	870,094	343,053	1,447	1,290,283	368,032	346	587,020	780,231						
2019	7,349	1,043,638	1,798,338	2,745	2,112,937	1,015,302	1,596	1,310,625	443,429	321	602,489	745,471						
2020	10,348	1,633,373	2,803,956	2,414	2,065,326	931,594	908	828,779	288,839	421	771,445	964,627	299	Not costed		111	584,287	256,851
2021	9,828	2,269,253	2,757,341	2,444	1,309,893	999,397	2,297	1,313,400	639,322	481	896,134	1,169,588	4,112	353,563	469,696			
2022 YTD April	9,351	2,169,188	3,134,984	3,197	1,816,749	1,594,332	4,847	2,938,507	1,604,277	431	673,870	1,082,504	4,355	397,027	648,853			

Notes:

- (1) There were no surgical procedures outsourced after the 2017/18 year. The added theatre capacity in the Elective Surgical Centre (ESC) enabled further in-house capacity.
> Estimated cost of surgical procedures is based on in-house patients with similar procedures.
- (2) Outsourced general radiology was not costed in the first year of provision so costs are not available.
- (3) Skin lesion estimated cost is based on the skin lesions that are done in Waitemata's theatres with the following caveats:
> Skin lesion removals done in-house are the more complex cases that require a theatre setting and therefore will be significantly higher cost.
> Any simple cases are outsourced to GPs where they are carried out in a more appropriate clinic setting and cost much less.
- (4) The costs of outsourced radiology procedures are based on averages so the split between modalities is approximate.
> The estimated radiology costs are based on in-house average cost by modality. The mix of in-house radiology procedures within each modality may be quite different to outsourced so estimated costs are also approximate.
- (5) As PET scans and Endocrinology bone scans are not done in-house, the estimated cost is based on the purchase unit price which in turn is based on national average costs.

Abbreviations

- MRI - magnetic resonance imaging
CT - computed tomography
PET - positron emission tomography