Primary Health Alliance

He huinga ratonga hauora

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Annual Report

For the year ending 30 June 2016

Primary Health Alliance

He huinga ratonga hauora

...to support the development, exchange and promotion of policies and strategies which advance health outcomes for the population of New Zealand through our member organisations.

Contents

1. Chairman's Report

The publication of this annual report marks the 10th anniversary of the establishment of the PHO Alliance in September 2006 and I am delighted to have been able to serve members as Chair of such a united and altruistic organisation for another year.

2016 will be remembered as an important year for the New Zealand health sector for many reasons. One of them is likely to be the publication of the refreshed New Zealand Health Strategy. The five themes – people-powered, closer to home, value and high performance, one team and smart system – are "cornerstones in establishing a health sector that understands peoples' needs and provides services that are integrated across sectors, emphasising investment early in life, maintaining wellness, preventing illness, and providing support for the final stages of life".

The PHO Alliance had long recognised the need for a multi-professional, multi-agency approach with a focus on addressing the wider determinants of health to supplement the very real contribution traditional general practice has made to primary care. To strengthen this focus and to align with the vision of the new Health Strategy, members of the PHO Alliance voted unanimously in June 2016 to adopt an updated Constitution, a new three-year Strategic Plan and a change of name to the Primary Health Alliance. I am delighted that our wider sector focus is already reflected in increasing membership from vital partners such as the Pharmaceutical Society of New Zealand and Allied Health Aotearoa New Zealand as well as a number of NGOs, such as the Heart Foundation, who all play a critical role in supporting patient level outcomes and directly complementing the well-established role of Primary Health Organisations (PHOs) and general practices.

I am very proud of the work the Primary Health Alliance has undertaken over the past year on behalf of member organisations and the population they serve. Our collective voice has been strong, credible and well respected on a national stage as we have sought to advocate for and directly influence policy development, specifically that underpinning the New Zealand Health Strategy and the essential supporting financial framework.

There is much more to do in respect of ensuring a sustainably funded primary care sector which appropriately targets resource towards those most in need. Our desire to correct the failings of the current financial settings, including the Very Low Cost Access (VLCA) scheme, are well documented and these will need to be addressed to ensure that the high level vision of the government's Health Strategy does not fail from the outset. Our publication Targeting Resources: Strengthening New Zealand's primary care capitation funding formula published in December 2015 was well received by partners and key national stakeholders in this regard and was the latest in our series of policy discussion papers gaining wide acclaim. This matter will have to be the key focus for 2016/17.

In April 2016 I met with the new Chair of General Practice New Zealand (GPNZ), Dr Jeff Lowe, to continue discussions with the aim of developing an organisation to better achieve a national voice for primary care. I was heartened by that meeting, which has subsequently lead to a joint meeting of our respective Committee's from which a joint action plan has been agreed to in order to achieve that aim.

During the past year we have continued to work with a wide range of partners and stakeholders from across the sector. We recognise the population of New Zealand and the members we represent are best served by a unified sector working together for a common purpose. I thank them all for recognising the contributions we collectively and individually make and for the time and effort they have expended across our joint projects.

My thanks must also, and significantly, go to all members of the Primary Health Alliance, our low-cost high value structure is underpinned by a consortia approach which prevents the reinventing of the wheel across our various constituents. The time and expertise put in by individual members for the common good is testament to the strong spirit of the Primary Health Alliance and in this regard I must specifically thank Dr Angus Chambers for his input on behalf of all members at the PSAAP forum as well as the members of the Executive Committee; Bill Eschenbach, John Hunter, Dr Denis Lee, Ian Macara, Dr Andrew Miller and Liz Stockley for their very significant contributions made throughout the year on top of the demanding day jobs they each already hold.

Finally and on behalf of all members, I would like to formally record the contribution made to the affairs of the Primary Health Alliance by our Chief Executive – Philip Grant. His excellent vision, administration and organisation has ensured that the Primary Health Alliance remains the independent, sustainable and credible force I believe it has become and helps make my role as Chair an enjoyable privilege to fulfil. For that I am grateful.

John Ayling

Chair

2. About the Primary Health Alliance

The Primary Health Alliance is an association of multi-professional member organisations supporting the delivery of high quality primary care services across New Zealand. It was formally established as the PHO Alliance in September 2006 to provide national leadership on key issues affecting the Primary Health Care Strategy and Primary Health Organisations in New Zealand.

Rebranded as the Primary Health Alliance in June 2016 to reflect the required future multi-professional and multi-agency approach to integrated care already being acknowledged through the broader membership of the organisation, the Primary Health Alliance Mission is –

… to support the development, exchange and promotion of policies and strategies which advance health outcomes for the population of New Zealand through our member organisations.

The Primary Health Alliance published a new three-year Strategic Plan in June 2016 which sets out the intention of the organisation to continue to add value for its members for the coming three years, 1 July 2016 to 30 June 2019. However, the organisation and its membership will remain very cognisant of the evolving health landscape and in that regard will ensure that the Strategy remains fit-for-purpose alongside national policy developments and the emerging refreshed New Zealand Health Strategy.

In line with the updated Primary Health Alliance Constitution, the Primary Health Alliance objectives are to:

a) Advocate with regards to health and wellbeing, on behalf of members for the benefit of the population of New Zealand.
b) Promote primary and community health through integrated multi-agency and multi-professional partnerships.
c) Foster effective partnerships between providers and communities.
d) Foster and nurture key strategic relationships at a local and national level.
e) Encourage collaboration and the sharing of resources, good practice and, information across Members and the wider sector.
f) Contribute to the development and implementation of health policy at a national level.
g) Promote and support enrolled list-based primary and community care.
h) Promote General Practitioners as overarching clinical guardians for patient level primary and community care supported where appropriate by nominated care co-ordinators.
i) Carry out other activities consistent with the charitable objects of the society.

The Primary Health Alliance operates what is believed to be a unique governance and operating model on behalf of members. This includes the following key principles:

a) The Primary Health Alliance runs on a low-cost membership model which adds significant additional value through the collective 'in-kind' contributions made by Members.
b) The Primary Health Alliance incorporates strong 'on-the-ground' community representation from members' Board representatives with a broad skill-set and a degree of independence from provider organisations.
c) The Primary Health Alliance strategy and operation is directly guided and determined by members' decisions/requirements.
d) The Primary Health Alliance operating model is of minimal intrusion into members own day-to-day working responsibilities.

Through the continuing membership of sector wide organisations, the Primary Health Alliance is able to provide the following on-going benefits:

- ✓ National advocacy and representation,
- ✓ Collective engagement with government and central agencies,
- ✓ National contract negotiation,
- ✓ Shared resources and best practice,
- ✓ Training and development,
- ✓ Performance development support,
- ✓ Professional networking and peer support,
- ✓ Strong alliance with national representative organisations across the sector,
- ✓ Regular member meetings and leadership forums,
- ✓ Regular communications and briefings.

3. The year in summary

2015/16 has again been a year of notable achievements and increasing influence for the Primary Health Alliance. Throughout the year members have continued to give tirelessly of their time and resources for the collective benefit of all member organisations and, most importantly, the improvement of outcomes for patients.

The following is a snapshot of the significant number of activities undertaken across the year, several of which are noted in the Chairman's report and detailed further in specific sections of this publication.

National Advocacy and Representation

One of the key membership benefits of the Primary Health Alliance is that which is achieved through the strength and alignment of the collective voice of members. The programme of advocacy and representation work undertaken by the Primary Health Alliance over the course of the year is significant and whilst this features strongly on the workplan for the Chair, Executive Committee and Chief Executive, it is a feature of the Primary Health Alliance operating model which provides for individual members all undertaking such a lead role at various stages of the year. This consortia approach ensures the voice of the Primary Health Alliance remains firmly based on up-to-date first hand expertise direct from the coal face of the health service.

The Primary Health Alliance continues to play a key role advocating for and influencing policy development at a national level on behalf of members and the populations they serve. During 2015/16 this has been evidenced by the input of the Primary Health Alliance to the refresh of the New Zealand Health Strategy. Members have directly contributed to and attended expert working groups, policy development, technical advisory panels, consultation submissions and facilitated workshops to successfully influence the national strategic direction of travel.

Another significant area of policy influence has been the continuation of the series of policy discussion papers published by the Primary Health Alliance. Following the widespread and positive feedback received in respect of the PHO Alliance publications *A time to act: 7 actions that will help sustain the New Zealand health service for future generations* (February 2015) and *A time to act: Implementation solutions* (May 2015), the Primary Health Alliance published *Targeting Resources: Strengthening New Zealand's primary care capitation funding formula* in December 2015. In *Targeting Resources*, we proposed a set of principles and factors for a new patient level, needs based formula which we believe should drive future funding allocations to primary care providers (see Section 4 for further details).

Feedback from *Targeting Resources* confirmed that the Primary Health Alliance's work in this area has directly influenced policy advice and discussion between the Minister of Health and both Ministry of Health and Treasury officials.

As would be expected from any industry membership body, the Primary Health Alliance has made numerous representations on behalf of members during the year, particularly in relation to:

- The refresh of the New Zealand Health Strategy,
- PHARMAC policy,
- The Healthy Homes Scheme,
- Primary Care funding and VLCA,
- Inequalities relating to vulnerable and high needs communities.

The Primary Health Alliance continues to be called upon, and will continue to support, national expert advisory groups and working parties in the support of improving patient outcomes for the population of New Zealand.

Collective Engagement with Government and Central Agencies

The profile and advocacy work of the Primary Health Alliance has increased significantly over the past year, continuing the trend experienced in previous years. Our Chair, Executive Committee members and Chief Executive have all maintained stronger relationships with Government and central agencies including vital ongoing dialogue with the Minister of Health, health leads from other political parties, Ministry of Health officials, Treasury officials. PHARMAC, ACC and Central TAS (DHB Shared Services) agents.

Indeed, such key stakeholders and central agencies have increasingly invited the Primary Health Alliance to field representatives and expert advisers onto a range of policy and discussion forums throughout the year, including as previously noted, those established to inform the development and implementation of the refreshed New Zealand Health Strategy.

National Contract Negotiation

A significant component of all PHO income continues to be derived through the PHO Services Agreement between individual PHOs and their District Health Board(s).

Whilst a local contract, it is negotiated and developed nationally between PHOs, DHBs, the Ministry of Health and general practice providers through a formal process known as the PHO Services Agreement Amendment Protocol (PSAAP) Group. The Primary Health Alliance holds a mandate and negotiates on behalf of its member PHOs to ensure a services agreement which is fit-for-purpose. Further details regarding the role and work of PSAAP over the past year is provided later in this report.

Shared Resources and Best Practice

One of the most significant of the Primary Health Alliance membership benefits is that of sharing resources and good practice to improve health outcomes for the entire population of New Zealand. Sharing good practice and improving health outcomes for all is at the heart of what the Primary Health Alliance stands for.

Delegates from across the sector attending the 2015 Primary Care Symposium

Whilst members regularly share examples of what works well in each locality, with the aim of ensuring universally good health outcomes regardless of where in the country you may live and regardless of what your ethnic background may be, the Primary Health Alliance also proactively seeks other opportunities to avoid 'reinventing the wheel'. This includes working on a consortia basis wherever possible to make best use of limited manpower and resources in smaller and mid-sized PHOs, as well as openly sharing learning and successful approaches between localities which may often be at different ends of the country.

For the third year running, the Primary Health Alliance is working in partnership with the Heart Foundation and the Health Promotion Agency to provide a free Best Practice Symposium (pictured in 2015) open to all primary care practitioners, champions and facilitators from PHOs and DHBs regardless of whether or not they are members of the Primary Health Alliance. Up to 200 delegates typically attend this event held in Wellington with keynote addresses from high profile national speakers such as the Health Minister, leading clinical champions and national patient advocates.

Each full member meeting of the Primary Health Alliance includes one or more formal presentation and open discussion session showcasing the learnings, both positive and negative, from an individual member's experience of implementing a local patient service or sector innovation. During 2015/16 such presentations have included:

- The Canterbury Clinical Network and PHO engagement,
- Rural Canterbury rural mental health service,
- Christchurch social worker pilot,
- Mental Health in prisons,
- Working together to improve patient outcomes through sustainable primary care,
- Developing successful Health Care Homes,
- Hawke's Bay Whanau Wellness service,
- Health literacy,
- Hawke's Bay respiratory services,
- Clinical Pharmacists,
- WellSouth Primary Health Network Community Diabetes Service – DESMOND (Diabetes Education and Self-Management of Ongoing and Newly Diagnosed),
- Care Closer to Home: Primary Options for Acute Care, East Health Trust.

Presentations from national speakers have also included:

- Director General of Health, Chai Chuah (pictured), NZ Health Strategy Refresh,
- Commissioner for Children, Dr Russell Wills, Addressing child health inequalities in the face of poverty, apathy and disconnected services,
- Dr Murray Horn: "From Cost to Sustainable Value" – a summary of the 2015 independent review of health funding in New Zealand,
- Diana Dowdle, Ko Awatea – Health System Innovation and Improvement, Sharing our learning and resources.

Ministry of Health Director General, Chai Chuah

In June 2016, the Primary Health Alliance launched an updated website which now includes a section dedicated to 'Sharing innovation'. In this section we provide an on-line resource to share learning across the sector with initial material covering the areas of acute demand, long-term conditions, corporate governance and pharmacy. This resource will continue to grow and be expanded over coming months.

Training & Development and Performance Development Support

The Primary Health Alliance has provided a long-running programme of support for members to help with the delivery of their individual objectives and their performance against nationally determined health targets and service standards.

Key elements of the programme include:

- Best practice presentations and symposia,
- Analysis and benchmarking of performance data,
- Collective procurement of training and related events,
- Individual mentoring and support,
- On-line best practice resource library.

Professional Networking and Peer Support

Primary Health Alliance members networking with colleagues

The mutual support, collegiality and common purpose which unites Primary Health Alliance members is uniquely evident at each and every member meeting. The title of our Strategic Plan, "Together we achieve more", came directly from our members and is entirely reflective of the goodwill and collective working demonstrated by each and every member. Sharing time, resources and expertise as well as mentoring, nurturing and counselling between and across members is a significant benefit that the organisation facilitates both formally and informally.

Outside of the formal processes of the Primary Health Alliance, members regularly meet on a 1:1 basis with colleagues for the purpose of professional networking and peer support. Additionally, ahead of most Primary Health Alliance member meetings, members will informally meet on a social basis to further cement the established relationships and mutual support which exists.

On an annual basis, the Primary Health Alliance will arrange one of its regular member meetings at a regional location with additional networking events to support this membership benefit (see below).

Strong Alliance with National Representative Organisations Across the Sector

The Primary Health Alliance has long recognised that securing long-term improvements in health outcomes and addressing the wider determinants of health will take a multi-agency intersectorial approach. In 2016 our Constitution and name was changed to openly support and reflect such a multi-agency approach and whilst the multi-professional membership of the Primary Health Alliance continues to grow, we continue to seek, and be sought, to work alongside and develop constructive relationships with a wide range of agencies and key stakeholders. These include key partners such as the Pharmaceutical Society of New Zealand, the College of Midwives, the Asthma and Respiratory Foundation, the Health Promotion Agency, The Heart Foundation, General Practice New Zealand and Allied Health Aotearoa New Zealand.

Executive Committee member, Dr Denis Lee attends the 2015 Pharmacy Awards Dinner on behalf of the Primary Health Alliance

Acknowledging the importance and success of such relationships, the Primary Health Alliance continues to receive a growing number of invitations to be represented at sector wide national events. In 2015/16 for example, John Ayling, Primary Health Alliance Chair, was invited to Chair key sessions of the Rural Health Conference in Dunedin and Dr Denis Lee (pictured) represented the Primary Health Alliance at the annual Pharmacy Awards Dinner.

Regular Member Meetings and Leadership Forums

Napier Sailing Club in the shadow of Napier Hill, the home of the previous Napier hospital.

The chairs and chief executive officers of member organisations meet quarterly to undertake the business of the PHO Alliance, to agree a collective response to national shared issues, to share good practice, to network and to have a two-way exchange with invited guests and sector stakeholders. Member meetings continue to be further enhanced by the attendance of, and engagement with significant partners from the wider health sector.

In December 2015, the quarterly meeting was held at Napier Sailing Club (pictured above) in the shadow of the former hospital on Napier Hill. This continued the established trend of holding the December member meeting at a different regional venue each year and follows the 2014 meeting which was held in Queenstown.

Members were joined in Napier by Russell Wills, local paediatrician and the New Zealand Children's Commissioner. Russell spoke in his usual passionate style on the subject of addressing child health inequalities in the face of poverty, apathy and disconnected services.

The tree-lined welcome to The Mission Estate Winery.

The objective to support greater sharing of good practice and improved networking between members was well achieved. The formalities of the member meeting were followed by a successful networking forum held in the historic and elegant surroundings of The Mission Estate Winery (pictured above).

Regular Communications and Briefings

Members of the Primary Health Alliance receive a detailed monthly briefing via e-mail which highlights the current work programme of the organisation as well as its latest successes. It also includes key national and local developments which may impact upon members own activities. The monthly briefing is intended for use by members within their own reporting to their respective governance Boards and feedback from members has been very positive. Once again this supports the principle that we will share resources and prevent 'reinventing the wheel' wherever possible.

Members receive frequent additional 'real-time' communications covering relevant matters from across the sector including:

- Ministerial announcements and policy updates,
- Partner newsletters,
- PSAAP proposals and immediate feedback from PSAAP meetings,
- International research reviews and findings,
- Member announcements.

4. Targeting Resources

There is a long-standing debate as to the robustness of the methodology underpinning funding allocations to primary care, and specifically to general practice, in New Zealand.

The perceived failings of the current capitation formula and additional allocations to primary care are well documented. These include the fundamental flaws of the Very Low Cost Access (VLCA) scheme as well as the lack of weighting for patient need within the basic first-contact capitation formula.

In December 2015, we published *Targeting Resources: Strengthening New Zealand's primary care capitation funding formula*. This publication was the latest in a series of policy discussion papers widely circulated which had previously included *A time to act: 7 actions which will help sustain the New Zealand health service for future generations* published in February 2015 and, in May 2015, *A time to act: Implementation solutions*.

In *Targeting Resources*, we proposed a set of principles and factors for a new patient level, needs based formula which should drive future funding allocations to primary care providers.

Our motivation was simple; to appropriately target resources to where need is greatest and incentivise higher quality patient outcomes to improve the overall health of the New Zealand population and reduce the unacceptable inequalities which still exist in our society.

We set out 6 key principles which we believed should underpin the formula, as well as 8 factors which we proposed should be comprised within a new formula.

Our proposed principles to underpin the future primary care capitation funding formula

1. Needs based
2. Low bureaucracy
3. Patient list based
4. Multi-professional team approach
5. Incentivises outcomes
6. Availability of data

Further details and an explanation of each principle is provided in the full publication available on our website.

Proposed factors of the formula

1. Patient age and sex
2. Disease prevalence
3. Management of disease prevalence
4. Ethnicity
5. Deprivation
6. Refugees
7. Newly registered patients
8. Rurality

Further details and an explanation of each factor is provided in the full publication available on our website.

As well as publication of this policy discussion paper, the Primary Health Alliance has, over the course of 2015/16, been working with sector colleagues to advocate strongly in respect of rebalancing the historic underfunding of primary care plus promoting additional capacity and capability funding to underpin the expectations of Care Closer to Home.

All PHO Alliance and Primary Health Alliance publications are now available on its website *www.primaryhealthalliance.org.nz*

5. PHO Services Agreement Amendment Protocol (PSAAP) Group

The PHO Services Agreement Amendment Protocol Group (the PSAAP Group):

(a) considers and make decisions and/or recommendations on proposals for variations to the PHO Services Agreement (excluding local agreements between a DHB and a PHO recorded in Part E of the PHO Services Agreement);

(b) considers and makes decisions and/or recommendations on proposals for variations to a Referenced Document, or to add a Referenced Document; and

(c) is a forum for information sharing and discussion of strategic, policy and operational settings that may have a consequential impact on parties to the PHO Services Agreement.

The PSAAP Group comprises:

(a) each PHO's appointed agent (note that more than one PHO may appoint the same agent), including a representative appointed by the Maori PHO caucus as defined by the primary care sector;

(b) each DHB's appointed agent (note that more than one DHB may appoint the same agent);

(c) up to two PHO Contracted Provider representatives appointed by the General Practice Leaders' Forum; and

(d) up to two representatives appointed by the Ministry of Health.

PSAAP meets regularly during the year to fulfil an agreed workplan and agree fundamental changes to the PHO Services Agreement. During 2015/16 PSAAP undertook an intensive programme of work and met on the following dates:

- 13 August 2015
- 24 November 2015
- 17 March 2016
- 12 May 2016

Primary Health Alliance members were represented by Dr Angus Chambers (GP and chair of Christchurch PHO) and/or Philip Grant (Chief Executive, Primary Health Alliance) at every meeting of PSAAP. All PSAAP papers, where possible, were shared with Primary Health Alliance members for review ahead of PSAAP meetings and a detailed feedback briefing provided to members following each PSAAP meeting.

For 2015/16, the PSAAP work programme has included the following key components:

- Refresh of the New Zealand Health Strategy,
- Primary Care Working Group review of primary care funding / general practice sustainability (including the Very Low Cost Access scheme: VLCA),
- Further development of Integrated Performance and Incentives Framework (IPIF) and, System Level Measures (SLMs),
- Future monitoring and performance management of PHO minimum requirements,
- Monitoring of free consultations for under 13 year olds,
- National enrolment service (e-enrolment).

Throughout the year, parties to PSAAP have also had regular discussion regarding the importance of ensuring compliance with the PSAAP Protocol and maintaining the integrity of the PSAAP process.

6. Executive Committee

The Primary Health Alliance Constitution allows for a minimum core executive committee of four and a maximum of seven members. The executive committee also has the power to co-opt additional committee members from time to time to ensure adequate capacity and capability to fulfil its responsibilities on behalf of all members.

The executive committee members for 2015/16 were:

- John Ayling (Chair),
- Bill Eschenbach, Chief Executive of Rural Canterbury PHO,
- John Hunter, Chair of Nelson Bays Primary Health,
- Dr Denis Lee, Chair of East Health Trust PHO,
- Ian Macara, Chief Executive of WellSouth Primary Health Network,
- Dr Andrew Miller, Chair of Manaia Health PHO,
- Liz Stockley, Chief Executive Officer of Health Hawke's Bay (until 17 May 2016).

The Register of Interests for the Executive Committee is shown on the page 22.

To fulfil the objectives of the Primary Health Alliance, the Executive Committee is supported by the following 6 sub-committees:

1. **Clinical Leadership & Integration Sub-Committee**
   Lead(s): Dr Andrew Miller & Dr Denis Lee
2. **Rural Health Sub-Committee**
   Lead(s): Ian Macara & Bill Eschenbach
3. **Maori and Pacific Health Sub-Committee**
   Lead(s): Liz Stockley
4. **Finance Sub-Committee**
   Lead(s): John Hunter
5. **PHO Performance Sub-Committee**
   Lead(s): Ian Macara
6. **PSAAP Sub-Committee**
   Lead(s): Dr Angus Chambers & Philip Grant

The respective lead of each sub-committee formally reports on progress to each Executive Committee meeting and to full member meetings as appropriate.

Executive Committee Register of Interests

JOHN AYLING – *Chairperson*

- Director – Split Ridge Associates Ltd – a provider of contracted services to the health and disability sector.

BILL ESCHENBACH

- Chief Executive, Rural Canterbury PHO
- Rural Health Alliance Aotearoa New Zealand (RHAANZ) Executive Member
- Director of Health Systems Solutions
- Member of Canterbury Alliance Support Team
- Member National Rural Health Alliance Group.

JOHN HUNTER

- Chair Nelson Bays Primary Health
- Councillor Ara Institute of Canterbury
- Trustee, Hunter York Family Trust
- Powerhouse Ventures Limited (Director)
- Hydroworks Limited (Director).

IAN MACARA

- Chief Executive of WellSouth Primary Health Network
- Director, Health Systems Solutions Ltd
- Member, Southern Alliance
- Member SDHB Strategic Executive Management Team.

DR DENIS LEE

- Chair of East Health Trust PHO
- General Practitioner
- Director of East Health Services Limited (MSO)
- Honorary Senior Lecturer
- Medical Examiner for CAA.

DR ANDREW MILLER

- Chair of Manaia Health PHO
- GP Bush Road Medical Centre
- Manaia Health PHO Clinical Advisory Committee
- Director of Whangarei Healthcare Ltd
- Director of Northland PHOs Ltd
- Shareholder of Whangarei Doctors Ltd (White Cross)
- Member of Northland Alliance Leadership Team
- Member, and Deputy Chair of the national Health Care Home Collaborative Governance Group
- Clinical Lead Northland DHB Neighbourhood Health Care Homes Programme
- Clinical Director of Information Services Northland DHB.

LIZ STOCKLEY

- Chief Executive Officer of Health Hawke's Bay
- Hawke's Bay DHB: General Manager of Primary Care.

7. Our Members

christchurch pho

Kimi Hauora Wairau
Marlborough Primary Health Organisation

EAST HEALTH TRUST
primary health organisation

hpa health promotion agency

NELSON BAYS PRIMARY HEALTH

HEALTH HAWKE'S BAY
Te Oranga Hawke's Bay

RURAL CANTERBURY
Primary Health Organisation
Te Rōpū Hauora Matua O Waitaha Tairāwhiti

Manaia Health PHO

WellSouth
Primary Health Network

West Coast
Te Tai o Poutini
Primary Health

PHARMACEUTICAL SOCIETY
of New Zealand Incorporated

ALLIED HEALTH
Aotearoa New Zealand

Kidney Health
NEW ZEALAND
Prevention • Support • Research

Heart Foundation

8. Financial statements for the year ended 30 June 2016

Summary of financial performance 1 July 2015 – 30 June 2016

The Primary Health Alliance's income receipts for the twelve months ending 30 June 2016 were $124,165 (2014-2015: $125,375) and total expenditure was $108,825 ($117,852) resulting in a net operating surplus of $15,340 ($7,523).

Total equity as at the end of the tenth year of operation has increased to $68,449 ($53,109). Cash in the bank is $70,136 ($55,312).

PRIMARY HEALTH ALLIANCE Inc

Statement of Financial Performance

For the year ended 30 June 2016

	2016 $	2015 $
Income		
Membership Fees	122,300	119,504
Other Income	1,865	5,871
Total Income	**124,165**	**125,375**
Expenses		
Management Services	70,800	80,800
Travel and Subsistence	8,390	9,119
Chair Fee	10,833	10,000
PSAAP Expenses	4,217	6,533
Venue Hire & Catering	2,819	7,920
Telephone IT & Website	1,015	1,000
Office & Sundry Expenses	10,591	2,316
Bank Charges	160	164
Total Expenses	**108,825**	**117,852**
Net Surplus/(Deficit)	**15,340**	**7,523**

PRIMARY HEALTH ALLIANCE Inc

Statement of Movements In Equity

For the year ended 30 June 2016

	2016 $	2015 $
Opening Balance as at 1 July	**53,109**	**45,586**
Plus: Total Recognised Revenues and Expenses for the year	15,340	7,523
Closing Balance as at 30 June	**68,449**	**53,109**

Statement of Financial Position

As at 30 June 2016

	2016	2015
	$	$
Assets		
Current Assets		
Bank Accounts	70,136	55,312
GST Receivable	7,853	8,295
Total Current Assets	**77,989**	**63,607**
Total Assets	**77,989**	**63,607**
Liabilities		
Current Liabilities		
Accounts Payable	9,540	10,498
Total Current Liabilities	9,540	10,498
Net Assets	68,449	53,109
Equity		
Retained Earnings	68,449	53,109
Total Equity	**68,449**	**53,109**

Signed by:

John Ayling, Chair

Philip Grant, Chief Executive

Dated: 2 September 2016

Notes to the financial statements

For the year ended 30 June 2016

1. **Reporting Entity**

   Primary Health Alliance Incorporated (Organisation number 1863830) is a body that represents and promotes the interests of its members. The Primary Health Alliance does this through advising and consulting with key stakeholders in the sector, representing common positions on issues of substance to key stakeholders, and facilitating the performance of member organisations through information and resource sharing.

   The Alliance's members are organisations responsible for the provision of primary health care services and population health action across New Zealand.

   The financial statements have been prepared in accordance with generally accepted accounting practice as required by the Institute of Chartered Accountants of New Zealand.

2. **Basis of Preparation**

   The Primary Health Alliance has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting – Accrual (Not for Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than $2,000,000. All transactions in this report are reported using the accrual basis of accounting. The report is prepared under the assumption that the Primary Health Alliance will continue to operate in the foreseeable future.

3. **Income Tax**

   The Primary Health Alliance Inc. is registered as a charitable entity under the Charities Act 2005; it is therefore exempt from Income Tax.

4. **Goods and Services Tax**

   The financial statements have been prepared stating all income and expenditure items exclusive of GST.

5. **Financial Operations**

   This is the 10th financial year the Primary Health Alliance has been operating (previously under the name of the PHO Alliance Incorporated).

6. **Changes in Accounting Policies**

   There have been no changes in accounting policies during the financial year.

7. **Auditors**

   For the year ending 30 June 2016, Primary Health Alliance Incorporated has not appointed auditors.