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General practice leaders formally reject 5% offer, set out plan for recovery from sector crisis



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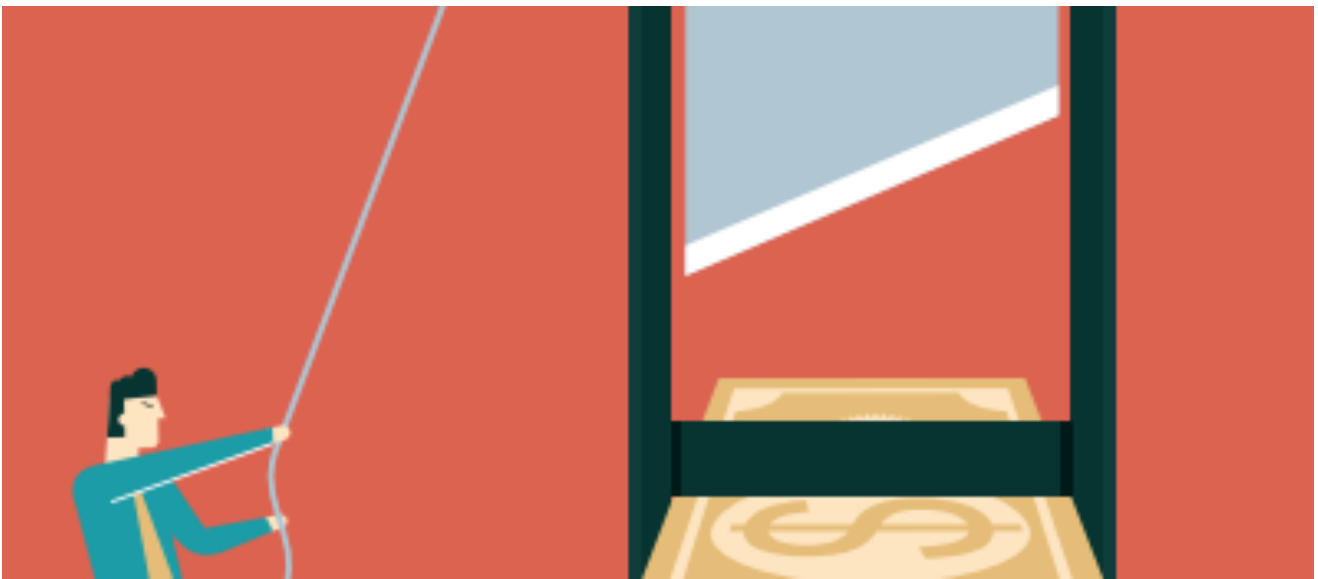
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A 5 per cent funding increase from the Government has been rejected by general practice organisations as falling short of the “at least 14 per cent” needed to keep services going [Image: Sorbetto on iStock]

The 5 per cent capitation offer has been formally rejected by general practice leaders today in a letter to Te Whatu Ora proposing a 20-point recovery plan for addressing the sector’s “emergent crisis”.

In a joint media release, the six member organisations of **the General Practice Leaders Forum** say **at least a 14 per cent increase in general practice funding is needed from the Government to keep services sustainable.**

That figure is based on adding the 9 per cent – the increase that the Sapere capitation review says is needed for practices to break even – to the 5 per cent annual cost pressure increase on offer from Te Whatu Ora for 2023/24.

The forum’s letter calls for Te Whatu Ora to work urgently with the sector on its 20-point counterproposal as the consequences of inaction and underinvestment in primary care could be “catastrophic” to the wider health system.

The letter notes that a third of general practices have closed books and half of GPs report burnout, and that it takes only 6 per cent of GP visits to be switch to emergency departments to double the number of ED presentations.

An immediate response

Forum chair and specialist GP Samantha Murton tells *New Zealand Doctor Rata Aotearoa* she has received an initial response from Te Whatu Ora commissioning director Abbe Anderson.

“The fact that Abbe Anderson rang me immediately after receiving the letter is a positive sign that people are keen to try and change things and move in a direction that is positive for patients and medicine in the community,” says Dr Murton, who is also RNZCGP president.

She says she doesn't expect action tomorrow or probably before the election, but believes "the message is getting through".

"I think there is genuine interest in moving things forward in a positive way," says Dr Murton.

The forum members are RNZCGP, General Practice New Zealand (GPNZ), General Practice Owners Association (GenPro), Hauora Taiwhenua Rural Health Network, the Practice Managers and Administrators Association (PMAANZ) and the College of Primary Health Care Nurses NZNO.

The 5 per cent increase is widely expected to be compulsorily introduced from 1 July by prescription notice but this has yet to be confirmed by Te Whatu Ora.

More than funding needing addressing

GenPro chair and specialist GP Tim Malloy says the joint letter and recovery plan set out all the issues the stretched sector is facing, including major workforce shortages, not just the inadequacy of the funding increase.

“It says we are prepared to work with the State in addressing the issues, all of the issues, that we confront as the primary care sector of the health system,” Dr Malloy says.

“It shows we have ideas and solutions to those problems that would be addressed by appropriate engagement and resourcing.

“In other words, we are not just saying there are problems out there...we are saying there are problems out there and we know what is required to fix them.”

Dr Malloy says the consequences of not addressing the problems won't be felt just by general practices.

“The price will be paid by the community, as it is they who will struggle to access healthcare in the timely manner they deserve. And, to me, that is starting to become more and more of an issue to the point, in my view, we already placing people at risk to their health.”

Counterproposal covers workforce to funding

The forum’s counterproposal includes 12 workforce initiatives, including funding full nurse pay parity, increasing medical school places, a special focus on training rural health professionals, and immediately extending international recruitment support packages to primary care providers.

The recovery plan asks for joint planning on a new general practice funding model to begin “without delay”, including convening a joint working group to consider the best way of incorporating the findings of the Government-commissioned Sapere capitation into the new model.

It also seeks a review of the current cost pressure formula used to guide the annual capitation increase.

Plus it asks Te Whatu Ora to delay giving notice of terminating the current PHO Services Agreement until at least 1 January 2025 “at the earliest in order to limit the uncertainty in relation to planning and staffing”.

Te Whatu Ora response

Te Whatu Ora is still considering the points raised in the forum's letter that it received last night, says Emma Prestidge, the agency's interim director primary, community and rural commissioning.

"Some of the points that have been raised are beyond the scope of the uplift negotiation," says Ms Prestidge in an email response to New Zealand Doctor queries.

She declined to answer whether the rejection letter meant the 5 per cent increase would be compulsorily introduced for 1 July as it has in recent years after similar offer rejections.

Instead she replied: "Te Whatu Ora is genuinely engaging in the uplift discussions in good faith with the sector and will continue to do so."

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