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No Budget fix for 'structural deficit' in funding: Bryan Betty



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Thursday 30 May 2024, 04:43 PM

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General Practice NZ chair Bryan Betty says the big funding issues facing the sector have not been addressed

As expected, the Budget doesn't address the major funding issues hampering primary care, says General Practice NZ chair Bryan Betty.

A specialist GP, Dr Betty says of the Budget: "It was probably as expected in terms of the fiscal constraints across the board.

"But the expectation is that the underlying issues on funding of general practice will be addressed over the next year.

"We still have the issue of the underlying structural deficit of general practice and primary care funding, in particular the capitation system."

Dr Betty understands that the Budget provides for an overall increase of about 6 per cent in primary care funding.

But he says the fundamental issue is the structural deficit and the way the capitation formula works.

The 2022 Sapere report found general practice had a revenue shortfall of \$137 million.

Te Whatu Ora suggested to health minister Shane Reti in January that an annual capitation increase of \$173 million or 14 per cent could be applied from the April to June quarter next year, as a way of addressing general practice sustainability. That's based on an update of the Sapere report's shortfall calculation. However, the increase would instead need to be between \$353 million and \$1.36 billion, based on the updated data, for unmet need to be addressed.

The aide-mémoire from Te Whatu Ora national commissioning director Abbe Anderson indicates officials support increasing capitation by \$173 million, expanding the capitation weightings to include deprivation, long-term conditions, comorbidity and ethnicity (the current weightings are sex and age), and enhanced accountability, including providing same-day acute patient access and routine access within a reasonable time, and accepting new enrolments.

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