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Primary care destined to 'go backwards' under cost-cutting agenda: Jeff Lowe



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Former Te Whatu Ora board member Jeff Lowe has joined the strong response to the Government's 'disinformation' about the board [Image: Supplied]

A former board member of Te Whatu Ora, Jeff Lowe, has questioned the “clinical literacy” at the top level of the national health agency, after the Government questioned the now-dissolved board’s financial literacy.

And he fears that with a cost-cutting agenda, primary and community care “will go backwards”.

Dr Lowe, a specialist GP and former chair of General Practice NZ, quit the board last month, long before his term was up and about a week before health minister Shane Reti on 22 July announced he was replacing the depleted board with a commissioner, Lester Levy.

Professor Levy, who is vocationally registered with the Medical Council in medical administration and had been a board member and chair since 1 June, became commissioner on 24 July.

Dr Reti has said he moved against the board because of concerns about oversight, and overspending that emerged in March. He has tasked Professor Levy with reducing Te Whatu Ora spending by \$1.4 billion, which is otherwise its projected overspending for this financial year.

'Disinformation' about Te Whatu Ora board

Another former board member, kidney specialist and former Medical Council chair Curtis Walker, told *New Zealand Doctor Rata Aotearoa* on Tuesday that he disagrees entirely with prime minister Christopher Luxon's description of the former board as financially illiterate.

In his opinion, Dr Walker says, the Government has "sought to up the ante on their disinformation" to create an excuse to replace the board with a commissioner.

Dr Lowe told *New Zealand Doctor* yesterday he did not agree with the prime minister. "I concur with most of what Curtis Walker said.

"Whilst they may have cast aspersions on the financial literacy of the board, I do wonder about the clinical literacy...of the proposed way ahead," Dr Lowe says.

“I have never worked with such a high-powered board before. You don’t have people who either ran IRD for 10 years or turned around and restructured Air New Zealand without some financial literacy.”

He was referring to former board members Naomi Ferguson, a former chief executive and commissioner of Inland Revenue, and Vanessa Stoddart, who was Air New Zealand’s people and technical operations chief for nearly a decade. Ms Ferguson resigned from Te Whatu Ora well before her term was up and Ms Stoddart indicated in April, she would not be seeking another term beyond the end of her stint on 30 June.

Asking the right questions

Dr Lowe says the board membership was suitably qualified to oversee the health reforms they were appointed to oversee.

“You need to think about the job on hand and how huge the job of bringing together 29 organisations into one is. A job like that is very complex and was always going to take a long time to bear fruit.

“Yes, I believe the board did exercise the right oversight and controls, remembering that a board does need to ask the hard questions, but they also need to support their CEO and executive leadership to perform to their best for the organisation and for the delivery of healthcare for all New Zealanders.”

Dr Lowe corroborates Dr Walker’s statement that the board first learned of the organisation’s deficit in March, and before that it had been running in surplus since 1 July 2023.

Asked for his view on why the Government has acted as it has against the former board, Dr Lowe says, “I think National and the Coalition Government, it was never really their reform and so they are taking the situation and putting their own spin on it, so that they can work in the way that they want to and steer this reform in the direction that they want to.

Risks to primary care from cost-cutting

“My concern now is that with the agenda of savings in the hospitals that we no longer have an opportunity of reform, and that window will now be closed. All the concentration will now be on hospital and specialist services, so my fear is primary and community care will go backwards under this process,” Dr Lowe says.

“If we want to work towards a system that’s inclusive of general practice and primary care being part of the solution, we need to first stabilise the hospital and specialist services system.

“Until that happens, I think a health reform where we become far more one system working together will not be realised.”

When Dr Lowe told *New Zealand Doctor* about his resignation on 16 July, he said the appointment of Professor Levy as chair from 1 June marked an appropriate time for him to reassess his position on the board.

Yesterday, he added, “The agenda now is about cost savings. That was not the agenda that I signed up to and [I] did not feel I could play a useful role in that.”

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