

14 July 2022

9(2)(a)



Official Information Act request WCD (West Coast District) 9709

I refer to your email dated 7 June 2022 to Ministry of Health which they subsequently transferred to us on 15th June 2022 requesting the following information under the Official Information Act from Te Tai o Poutini West Coast regarding outsourcing elective surgeries. Specifically:

- 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.***

Te Tai o Poutini West Coast outsources planned care ophthalmology services, as there is no local service within our district. This includes outpatient as well as inpatient services. In answer to Questions 1 and 2, the total numbers, types of elective ophthalmology surgical procedures surgery, and relative values of these surgeries undertaken (using national Inter-District Flow (IDF) reference prices at the relative case weighted value per procedure as the cost derivative) over the past five years from 1 July 2017 to 31 May 2022 is listed in **Appendix 1 – Table one (attached)**:

In respect of Questions 3 and 4 – we note that prices paid by West Coast for outsourced ophthalmology surgery are not directly comparable to prices that would be paid for patients referred to other DHBs for surgery, and which would be paid at national inter-district flow (IDF) reference prices. These have varied each year; so that at times, surgery prices paid for out-sourced services are higher, and at other times similar or lower than IDF prices.

Prices paid for cataracts and associated pre- and post-surgical follow ups have been at fixed price, which have modified from year to year. Prices for non-cataract procedures over the past five years were individually priced - based on complexity and input required to treat each individual case. These prices were generally at or around the price paid had the DHB referred them to another DHB for care; with a number also being slightly lower than national reference prices. Not all prices were accepted.

Those referrals that were priced at rates notably above national reference prices were passed to other DHB services for the surgery to be undertaken for cases where clinical considerations and/or relative urgency were not otherwise an over-riding influencing factor in having procedures promptly undertaken through the private sector. Equally, higher prices were sometimes accepted at the time in order to secure prompt access to treatment for the patients concerned due to their individual circumstances.

Given these variabilities and number of surgical procedures involved - particularly for non-cataract procedures - we are declining to retrospectively review and reconstruct comparative prices all of the outsourced cases to IDF prices over the past five years in answer to Questions 3 and 4 under Section 18 (f) of the Official Information Act i.e. *"... that the information requested cannot be made available without substantial collation or research."*

Other Outsourced Services

Other than ophthalmology, West Coast DHB has more recently contracted for up to 35 orthopaedic major joint (hip and knee replacement) procedures and up to 20 plastic surgery procedures to private providers in the period May and June 2022. These procedures were still being undertaken at the time of your Official Information Act request being lodged. These are contracted out at higher prices than we would otherwise have paid another DHB to have undertaken the procedures and follow-up care.

I trust that this satisfies your interest in this matter.

You may, under section 28(3) of the Official Information Act, seek a review of our decision to withhold information by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz; or Freephone 0800 802 602.

Please note that this response, or an edited version of this response, may be published on the Te Tai o Poutini West Coast website after your receipt of this response.

Ngā mihi / Yours sincerely,



Ralph La Salle
Senior Manager, OIAs
Waitaha Canterbury / Te Tai o Poutini West Coast.

9709 Appendix 1 – Table 1

Financial Year	Total Surgery Procedures	Type or Procedures	Net Value at National Inter-District Flow (IDF) Reference Prices
2017/18	288	<ul style="list-style-type: none"> • Cataract surgery – 233 • Glaucoma and complex cataracts – 23 • Corneal, scleral and conjunctiva procedures - 9 • Strabismus procedures – 7 • Eyelid procedures – 6 • Other ophthalmic procedures * - 10 	\$715,971
2018/19	275	<ul style="list-style-type: none"> • Cataract surgery – 230 • Glaucoma and complex cataracts – 23 • Eyelid procedure - 6 • Corneal, scleral and conjunctiva procedures – 5 • Other ophthalmic procedures * - 11 	\$636,098
2019/20	200	<ul style="list-style-type: none"> • Cataract surgery – 185 • Glaucoma and complex cataracts – 6 • Corneal, scleral and conjunctiva procedures – 3 • Other ophthalmic procedures * - 6 	\$512,739
2020/21	270	<ul style="list-style-type: none"> • Cataract surgery – 220 • Eyelid procedures - 17 • Glaucoma and complex cataracts – 13 • Corneal, scleral and conjunctiva procedures - 5 • Strabismus procedures – 4 • Other ophthalmic procedures * - 11 	\$748,099
2021/22 to 31 May 2022**	187**	<ul style="list-style-type: none"> • Cataract surgery – 149 • Eyelid procedures - 12 • Glaucoma and complex cataracts – 9 • Corneal, scleral and conjunctiva procedures - 7 • Other ophthalmic procedures * - 10 	\$612,805**

Notes:

* Other ophthalmic procedures – includes a range of enucleations, orbital procedures, retinal procedures, dacryocystorhinostomy, lacrimal procedures, lesion removal and skin grafting repair procedures on eyelids, and other such operations on and around the eye.

** Data for eleven months to 31 May 2022 only.