

Health Report

Update on the quality review of PPE

Date due to MO: 16 July 2020 **Action required by:** 20 July 2020

Security level: IN CONFIDENCE **Health Report number:** 20201186

To: Hon Chris Hipkins, Minister of Health

Contact for telephone discussion

Name	Position	Telephone
Sue Gordon	Deputy Chief Executive, COVID-19 Health System Response	section 9(2)(a)
Kelvin Watson	Manager, COVID-19 Health and Disability Supply Chain	section 9(2)(a)

Action for Private Secretaries

Return the signed report to the Ministry of Health.

Date dispatched to MO:

Update on the quality review of PPE

Purpose of report

This report provides an update on the quality review of personal protective equipment (PPE), with talking points to enable an oral update to be provided to Cabinet on 20 July 2020.

Summary

- In June 2020, the Ministry of Health (the Ministry) provided an update to the former Minister of Health on the work underway to review the quality of all Ministry-funded PPE sourcing (not from our regular supply arrangements) from 1 January 2020 [HR 20200932].
- At that time, four masks and one isolation gown were identified as being at higher risk of noncompliance following an initial assessment, with a mix of issues, including incorrect product labelling, possible product noncompliance and/or questions regarding certification validity. The five products covered 16.7 million items of PPE, worth \$44.9 million.
- As the review progressed, and more information was verified, five masks (totalling 4.9 million masks) were placed on hold on 12 June 2020 as a precautionary move, as they had already been distributed. Four of the five items have since been confirmed as compliant, and have been released from hold.

section 9(2)(h)

[Redacted text block]

[Redacted text block]

Recommendations

The Ministry recommends that you:

- | | | |
|----|--|-------------------|
| a) | Note that of the five PPE items placed on hold, four have now been released from hold | Yes/No |
| | S
e
ct | [Redacted] |
| c) | Agree to provide an update to Cabinet on the quality review of PPE, on 20 July 2020 | Yes/No |

Sue Gordon
Deputy Chief Executive
COVID-19 Health System Response

Hon Chris Hipkins
Minister of Health
Date:

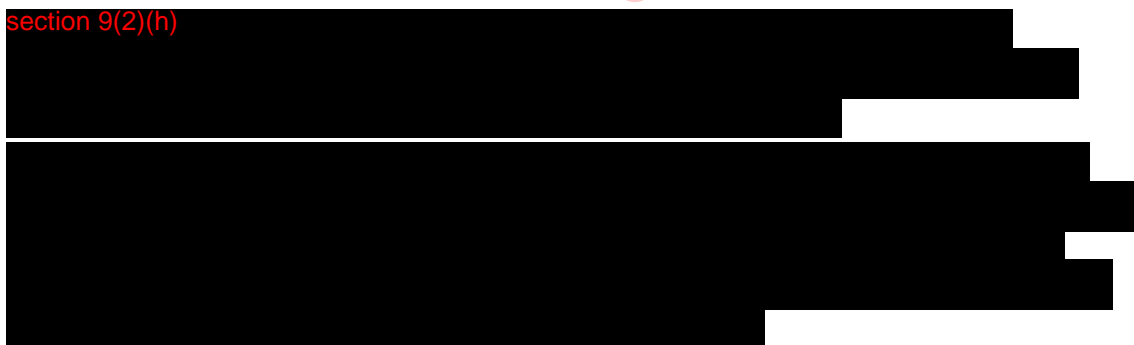
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Appendix 1: Talking Points

The Ministry of Health identified a risk that some PPE was not compliant

- In June 2020, the Ministry provided an update to the former Minister of Health on the work underway to review the quality of all Ministry-funded PPE sourcing (not from our regular supply arrangements) from 1 January 2020.
- Four masks and one isolation gown were identified as being at higher risk of noncompliance following an initial assessment with a mix of issues, including incorrect product labelling, possible product noncompliance and/or questions regarding certification validity. The five products covered 16.7 million items of PPE, worth \$44.9 million.
- As the review progressed, and more information was verified, five masks were placed on hold on 12 June 2020 as a precautionary move, as these masks were in circulation. These five masks covered 4.9 million items of PPE.
 - On 19 June the Ministry released three of the masks from hold, as we had been able to confirm their certification and compliance. In late June the Ministry also confirmed the certification of the fourth mask; these have recently been formally released from hold.
 - The isolation gowns were confirmed as compliant in mid-June.

section 9(2)(h)



Non-compliant PPE has been a significant global issue over the last few months

- New Zealand has been relatively lightly affected so far, although there is still the potential for some items to be non-compliant. The Ministry's focus is on ensuring that if we do receive non-compliant PPE that it does not end up in circulation. Other Five Eyes countries have had to undertake significant compliance and fraud investigations, and the Ministry has been involved in these conversations from a New Zealand perspective.
- All incoming masks to New Zealand are now put on immediate quality control hold while further due diligence is undertaken to ensure that the landed masks are as expected and that certifications can be validated before being released into circulation.
- The height of the pandemic and the globally distressed PPE supply chain in March/April meant that countries (including New Zealand) needed to move fast to place orders in hours as opposed to the usual weeks that would be taken to enable due diligence checks and clinical engagement to be undertaken. These means that there are likely limited remedies available if any PPE is found non-compliant.