

Aide-Memoire: Talking points for the School of Rural Medicine Cabinet paper

To:	Hon Chris Hipkins, Minister of Education
From:	Tim Fowler, Chief Executive
Date:	23 April 2018
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Purpose

1. The purpose of this aide-memoire is to provide you with talking points on the Cabinet paper, *School of Rural Medicine proposal: An alternative approach*, which is being considered at the Social Wellbeing Cabinet Committee (SWC) meeting on 2 May 2018.
2. Key talking points are provided below. Additional information is provided in Appendix 1 to assist you in responding to potential questions.
3. We recommend that you release this aide-memoire in full once Cabinet has made a decision on the Cabinet paper.

Background

4. There is a shortage of health professionals in rural areas caused by both an inability to attract new practitioners to rural areas, and difficulty in retaining those that are already in rural practice.
5. There have been two recent proposals which attempt to address these issues. The first is from the University of Waikato and the Waikato District Health Board (DHB), which proposes establishing a new post-graduate entry medical school. The second is from the University of Auckland and University of Otago, which proposes establishing a National School of Rural Health. The National School of Rural Health is effectively a minor change to existing delivery, but could grow into something larger through expansion to more geographical areas and to different types of health professionals.
6. In September 2017, whilst both proposals were under consideration, Cabinet agreed in principle to establish a School of Rural Medicine [CAB-17-MIN-0464 refers] through a competitive tender process. This tender process was designed to further hone the proposals, and allow others the opportunity to develop alternative proposals.

Key talking points

What is proposed

7. I am proposing that we rescind the previous Government's decision to establish a School of Rural Medicine.
8. I further propose that we replace it with a wider programme of work to address the issues associated with access to health care, and the lack of availability of health professionals in some rural areas.

Why I propose rescinding the decision to establish a School or Rural Medicine

The problem is complex

9. Shortages in the rural medical workforce arise from both an inability to attract new staff and difficulties in retaining existing staff.
10. Urban environments are more attractive as they provide the opportunities to train and upskill, as well as social opportunities, access to infrastructure such as schools, and opportunities for spouses and partners to find employment. In addition with a more concentrated workforce, there is increased likelihood of finding cover for leave and training.
11. Attracting health professionals out of urban areas and into rural areas is complex. There are multiple reasons why rural practice is unattractive and all of the reasons need to be considered in order to develop a plan that is likely to be successful.

A School of Rural Medicine will only address part of the problem

12. A School of Rural Medicine could increase the number of new medical graduates and other health professionals seeking rural employment. But the methods it would put in place – selecting students more likely to pursue a rural career, providing a positive experience of work in rural practice through the training experience, and creating support systems in rural areas (ie the training facilities and their staff) will only go part way toward addressing the attraction side of the problem.
13. Many of the issues that make rural practice unattractive such as lower earnings, lack of back-up, the need to be on-call, long travel distances and a lack of facilities and infrastructure to support family life will not be solved by an educational solution.
14. Addressing only part of the problem is unlikely to yield a successful and lasting solution.

Value for money is questionable

15. A School of Rural Medicine could be expensive, with up to \$300 million earmarked for the establishment of the scheme. (This reflects the set up costs for the University of Waikato/Waikato DHB proposal – others may well be much cheaper).

Why we propose establishing a wider programme of work

(We suggest you hand over to the Minister of Health to discuss the detail of this proposal)

There are a range of potential solutions, not just educational

16. I will hand over to the Minister of Health to outline the proposed programme.

Next steps

17. Subject to Cabinet's agreement, I will direct Tertiary Education Commission officials to notify the University of Waikato, Waikato DHB, the University of Auckland and the University of Otago of our decision.
18. We will also direct the Ministry of Health to begin developing its work programme, and report back to Ministers in October 2018.
19. We will release a press statement, and the papers supporting this decision.



Tim Fowler

Chief Executive

Tertiary Education Commission

23 April 2018

Hon Chris Hipkins

Minister of Education

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Appendix 1 – Questions and answers

What are the problems with the rural health workforce? Cabinet Paper paragraphs 14 and 15)

- There are inequities in the distribution of doctors between rural and urban areas.
- This will worsen unless changes are made as a significant number of existing doctors will retire in the near future, and there is a lack of new medical graduates seeking employment in rural practice.
- These issues extend to other health professions including nursing and physiotherapy and means that rural patients often cannot access the care they need.
- The relatively low number of some of the allied health professions per population means that small changes (e.g. the loss of 1-2 workers) in a relatively small population can have a big effect quickly on the stability of a workforce in an area.

Is New Zealand training enough Doctors? (Cabinet paper paragraphs 18-21)

- There is a maldistribution of the workforce arising from issues related to recruiting and retaining doctors and other health professionals, which means there is a shortage of these professionals in rural areas.
- However, while there are around 9,000 New Zealand medical graduates in the health workforce, medical provision is heavily dependent on international medical graduates (IMGs).
- New Zealand imports approximately 1,100 IMGs per year and there are around 6,500 IMGs currently practicing in New Zealand.

What are the current gaps in addressing rural health workforce problems? (Cabinet Paper paragraphs 16 and 17 and 32 to 35)

- The targeted student recruitment and an enhanced rural clinical training are features of the existing proposals contribute to attracting more new graduates into rural careers. These are already in place at the University of Auckland and University of Otago and officials will encourage them to further develop these in order to address attraction of students into rural careers.
- However, there are gaps around initiatives to retain staff in rural practice for example, providing professional and personal support for the existing workforce.
- Changes to regulations, and financial incentives (e.g. changing the Voluntary Bonding Scheme) should also be considered to address retention aspects.

Appendix 2 – Ministry of Health proposed work programme

- The Ministry of Health proposes developing a wider programme of work to address rural health workforce issues. This will include consideration of wider social, economic and employment issues affecting the rural health workforce, as well as the role of tertiary education.
- The Ministry of Health will seek input from a wide range of stakeholders including government agencies, professional bodies, and existing and potential educational providers.
- Educational proposals will be considered alongside other initiatives such as better use of technology, improvements to pay and conditions, and regional development.
- The likelihood of success, ability to make a significant difference to the rural health workforce and value for money of each proposal can be considered in order to develop a final programme of work that is likely to succeed.