

The Treasury

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- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
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Transforming Primary Care: next steps and implementation

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Description:

This paper provides final costings and next steps on the Transforming Primary Care package.

Comments:

This paper reflects changes post the CBC meeting on 2 December 2024 [CAB-24-MIN-0471.01]. Our 22 November advice canvassed the Primary Care Tactical Action Plan in detail, and as such this briefing only focuses on key issues in the updated paper and reflects your direction that we move as quickly as practicable.

The paper covers three components:

1. Digital primary care

[33]

2. Workforce

The paper largely adopts the Treasury's recommended scaled options.

3. Primary care strategy

The paper includes phasing of actions that underpin the Primary Care Strategic Plan, with a report back in March 2025. This includes work on pricing (the capitation review),

the framework for urgent and after-hours care, the role of PHOs, workforce regulation, and training pathways. While this looks promising and the Ministry has done a good job of pulling together a plan quickly in the circumstances, the plan lacks a substantive base of underpinning policy work.

Our advice recommended using a programme business case to enable this thinking – this is less to do with technical aspects of the framework (risk and assurance etc) but more to facilitate a meaningful connection between strategy and implementation. Health strategies are plentiful but seldom implemented. ^[34]

. The format of the document is ultimately semantic, but we recommend you continue to emphasise a clear expectation for implementation milestones, particularly where the complex nature of the primary care sector means co-dependencies of interventions need to be thoroughly thought through.

Treasury Recommendation:

We recommend you support this paper, however we recommend seeking clarity on the approach to the use of Business cases for CareDirect and the Primary Care strategic plan.

Fiscal Implications:

The full package (actions 1-3) recommended by the Minister of Health currently totals:

- \$239.718 million operating over the forecast period (with cost escalations in outyears, and funding across Votes Tertiary Education and Social Development associated with medical school places); and
- \$33.699 million total capital.

The paper appropriates \$18.35 million operating funding for all initiatives for 2024/25 ^[33], and delegates the remaining financial recommendations to Joint Ministers. This is unorthodox, but we appreciate that some of the elements are quite technical ^[33] and difficult to develop at pace. It will also enable more time to be spent on advice on the use of contingencies, which will be an important risk mitigation tool given the quickly developed costings.

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