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[REDACTED]

Email: [REDACTED]

Dear [REDACTED]

RE Official information request CDHB 9777 and WCDHB 9080

I refer to your email requesting the following information under section 12 of the Official Information Act from Canterbury DHB and West Coast DHB.

WEST COAST DISTRICT HEALTH BOARD

On the information provided by Ministry of Health on SCHEDULE 3: DHB Provider Arm Financial Performance which is available online at

<https://www.health.govt.nz/new-zealand-health-system/key-health-sector-organisations-and-people/district-health-boards/accountability-and-funding/summary-financial-reports/dhb-sector-financial-reports-2015-16>

I notice that the year to date clinical supplies expenditure decreases from \$8046 in May 2016 to \$7780 in June 2016, which represents a net decrease of \$266 from May 2016 to June 2016.

How is this possible, please? Year to date expenses always increase or remain same. They can only decrease if there is some sort of income added to it or there was an error in clinical supplies expenditure in May 2016 (for example overstated by \$266) which then reduced the clinical supplies expenditure by the amount of \$266 for June 2016 (the next period).

During March, West Coast DHB changed to the new national chart of accounts, as one of the steps in preparation for West Coast DHB to go live on the national finance system being built by NZ Health Partnerships Ltd. This has resulted in changes to the categories where some costs are reported (mainly movement between clinical and non-clinical expenses). The financial template sent to the Ministry of Health in June 2016 aligned the Year to Date (YTD) result to the new chart of accounts, creating some one off adjustments in the month.

Similarly, In terms of year to date capital expenditures, expenditure on the capital item - "other equipment" showed a credit (income) of \$1913 for March 2016 (see attached file). How is this possible again? Year to date expenditures on capital should always show an increasing figure, unless some sort of income is added to it. Please provide an explanation.

"During March, West Coast DHB changed to the new national chart of accounts, as one of the steps in preparation for West Coast DHB to go live on the national finance system being built by NZ Health Partnerships Ltd.

The new national chart of accounts has two categories in capital expenditure for equipment (general and clinical). Historically, West Coast DHB and Canterbury DHB chart of accounts only allowed for reporting of equipment under the one category. This resulted in the financial template sent to the Ministry of Health in March 2016 being aligned with the Year to Date (YTD) result to the new chart of accounts, creating some one off adjustments in the month."

CANTERBURY DISTRICT HEALTH BOARD

Similarly, data from Ministry of health data shows that for March 2016, the outsource medical expenditure showed an overall credit of \$1942. How is this possible? Outsourced expenditure (expenditure in general) can only be either zero or debit value.

- **Is this credit due to overpayment of outsourcing, which gets reimbursed in the next month?**
- **Please provide an explanation.**

During March, Canterbury DHB changed to the new national chart of accounts, as one of the steps in preparation for Canterbury DHB to go live on the national finance system being built by NZ Health Partnerships Ltd. This has resulted in changes to the categories where some costs are being reported. The financial template sent to the Ministry of Health in March 2016 aligned the Year to Date (YTD) result to the new chart of accounts, creating some one off adjustments in the month.

Please note that this response, or an edited version of this response, may be published on the Canterbury DHB and West Coast DHB websites.

I trust that this satisfies your interest in this matter.

Yours sincerely



Carolyn Gullery
General Manager
Planning, Funding & Decision Support