

Corporate: Eligibility for health care  
Proactive Release: 22 November 2019



08 November 2019

9(2)(a)

E-mail: 9(2)(a)

Dear 9(2)(a)

### Official Information Act (1982) Request

I write in response to your Official Information Act request, dated 16 October 2019. You requested the following information:

- 1. The total amount of debt incurred by the District Health Board in treating ineligible patients or those from overseas,**
  - a. for the financial years of 2014/15, 2015/16, 2016/17, 2017/18, and 2018/19.*
- 2. A breakdown of the number of patients which incurred these debts, (the totals as above)**
  - a. for the financial years of 2014/15, 2015/16, 2016/17, 2017/18, 2018/19.*
- 3. Can the DHB then please also advise what happens to these debts incurred by ineligible patients?**
  - a. Are they struck out?*
  - b. Does the DHB cover the costs - how does this process work?*

For context, CM Health is a large DHB, serving a diverse and high health needs community of more than 569,400 people. We see in excess of 118,000 presentations at our Emergency Department per year. Any patient requiring treatment for an acute injury or illness will be treated, regardless of their eligibility for funded services.

Eligibility determination is complex and case-specific, and it can take some time to collect and assess the facts against the criteria. Our approach is to provide required acute care immediately, and have our Eligibility Team complete a determination of entitlements. Please note that in this response we use the term "in-eligible patients" to refer to non-New Zealand citizens who received care but who, under the Governments '2011 Eligibility Direction' are not entitled to receive publicly-funded healthcare. We are required to seek repayment of costs incurred from individuals in these cases.

This response does not include the costs of providing treatment that are not billable to non-New Zealand citizens. Services that are not billable include, for example, notifiable infectious diseases,  
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maternity care for an ineligible person who has an eligible partner, and those with Australian or UK reciprocal health agreements etc.

In nearly all cases, the need for treatment by ineligible patients is for unexpected and acute situations. In a much smaller number of non-emergency situations, people who are ineligible may seek services, mainly in maternity and outpatient settings.

Our community includes a higher number of individuals here on immigration visas and/or on a short-stay basis. This includes a large new-immigrant community, people with extended family visiting from overseas, particularly from the Pacific, and people travelling via Auckland International Airport. These people may also have already compromised health status, delay seeking early medical care, not understand where to access healthcare in NZ, are here without travel/ medical insurance and limited finances to cover medical costs, and/or have immigration sponsors with their own limited financial resources.

#### Question 1

The total *invoiced* amounts per financial year are provided (**Table 1**). Please note a proportion of these invoiced amounts are paid, and the totals do not therefore reflect outstanding debts.

Financial Year	Total invoiced amounts	Numbers of non-eligible invoiced
2014-2015	\$7,921,731	1,537
2015-2016	\$8,332,907	1,587
2016-2017	\$8,419,735	1,619
2017-2018	\$10,118,411	1,479
2018-2019	\$9,695,824	1,398

Please note that on our website there is further publicly available information summarising costs incurred by the DHB due to people who received services, but were assessed as 'non-eligible' for NZ publicly funded health services. This information is updated approximately 6-monthly, with the current information covering financial year 2012/13 to 2018/19.

- <https://countiesmanukau.health.nz/about-us/official-information-act-requests/publicly-released-oias//show/203>

#### Question 2

Refer to the response provided for question 1 (**Table 1**), which includes the total number of individuals invoiced each year.

#### Question 3

Providing emergency and acute treatment to 'in-eligible' people is part of our planning and delivery of health services in New Zealand. Our annual financial planning process and budget setting process incorporates the impact of, and management for these cases.

We work regionally to manage eligibility processes, verification and invoicing/payments. Staff follow-up with all debtors for the first 90 days, by way of phone-call, email and letters, including advice that referral to debt collection may occur.

In some cases, we agree a payment plan for gradual re-payment. Where a patient advises they are unable to make any payment, and details of an immigration sponsor are known, CM Health/healthAlliance will seek payment via the sponsor. If initial debt collection is unsuccessful, then debt is written-off, and any outstanding debt is referred to debt collection agency (in NZ or overseas, depending on the location of the individual).

The Ministry of Health acknowledges the Counties Manukau DHB 'bad-debt' burden, and each year contributes funding to help offset the bad-debt liability. This additional amount is incorporated within the approximate \$1.5billion annual funding that CMDHB receives for provision of health services to the Counties Manukau community.

There is publicly available information on Eligibility for patients on our website, including links to the Eligibility Direction 2011, which outlines the Government position on eligibility for publicly funded health services:

- <https://countiesmanukau.health.nz/for-patients-and-visitors/do-you-have-to-pay/>
- <https://www.health.govt.nz/new-zealand-health-system/eligibility-publicly-funded-health-services>

I trust this information satisfactorily answers your query. If you are not satisfied with this response you are entitled to seek a review of the response by the Ombudsman under section 28(3) of the Official Information Act.

Please note that this response or an edited version of this may be published on the Counties Manukau DHB website.

Yours sincerely,



Fepulea'i Margie Apa  
Chief Executive Officer  
**Counties Manukau Health**