



# **New Zealand Nurses Organisation**

**Submission  
to the**

**Ministry of Health**

**Proposal Notification to vary Section 88  
Maternity Services Notice**

**Consultation Document (June 2005)**

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## **INTRODUCTION**

The New Zealand Nurses Organisation (NZNO) represents 39,00 health workers on a range of employment related and professional issues across the public, private and community sectors. The majority of our members are registered, enrolled and student nurses, and midwives. NZNO has **1027 midwife members**, the majority of whom work as employed midwives, either in a core, team or continuity of care/LMC capacity. NZNO also represents a small number of independent LMCs. NZNO has an active midwifery network and midwife delegate support system in major maternity hospitals. These groups have been consulted and provided input into the development of this submission.

NZNO welcomes the opportunity to comment on the Ministry of Health proposals to review and vary the price schedule of the Section 88 Maternity Services Notice. NZNO has recognised that the current prices for LMC services are inadequate and this has had a negative effect on recruitment and retention, particularly in the rural areas, which has decreased accessibility to maternity services in a number of regions. Further the NZNO looks forward to participating in the second stage of the Ministry's consultation of the Section 88 Maternity Services Notice re service specifications scheduled to occur during 2006.

## **THE PROPOSALS**

### **Rurality**

NZNO supports the specific recognition of the additional costs and concerns for the rural maternity workforce. In addition to the travel costs identified in the notification letter, there are added costs for accessing professional development, professional supervision, peer review, locum cover and other factors related to isolation. The current rapid increase in fuel prices since June this year and the unlikely event that they would reduce in the near future, needs to be taken into account also. The additional demands and costs of rural practice are not adequately recognised in this proposal.

### **Annual price schedule adjustments**

The lengthy delay between reviews of the pricing schedule is problematic as the payments do not keep up with CPI increases. The South Auckland Maternity Care Ltd (SAMCL) research comparing the 1993 and 2005 income and costs show a relative drop in income over time. This has implications for recruitment and retention which need to be addressed. NZNO recommends that provisions for regular CPI related adjustments be made between reviews. This is already allowed for in the implementation of PHOs and so a consistent approach to service providers is needed.

### **Ultrasound Scans**

The intent to reduce co-payment costs to women is welcomed however whether an increase of \$7.50 payment per scan would achieve that is debatable.

### **Proposed fee increases**

While NZNO is pleased that the cost schedule is being reviewed and revised upwards, and that the special needs of the rural maternity workforce are recognised, the proposed increases do not meet the additional cost increases since the current fees were set according to our members. Their anecdotal feedback supports the findings of the SAMCL study and thus NZNO shares similar concerns to those raised in that

organisation's submission. In addition, the recent and precipitous costs of fuel need to be taken into account. This situation has emerged since the notification of proposed prices was circulated for consultation.

## **CONCLUSION**

The decision to review and increase the price schedule set out in Part D 1.0 of the Section 88 Maternity Notice is welcomed. However NZNO does not believe that the proposed increases adequately address the real costs for LMC services. Thus NZNO recommends that

- i) further work is undertaken to identify and recognise a more appropriate pricing schedule.
- ii) an annual adjustment to recognise CPI increases is put in place.