



# Rebuild New Zealand: health equity



# Rebuild New Zealand: health equity

He mihi tuatahi ki a Io Matua Nui, he mihi hoki ki ngā atua maha o te Ao Māori.

Ki ngā wairua tipuna o rātau mā kua roa e noho ana ki roto i ngā manaakitanga, moe mai, moe mai, moe mai koutou. Otirā, ki ngā mate huhua katoa o te motu whānui, me ngā mate i pā te ringa aitua o te 'Mate Korona' ki runga ki a koutou me o koutou whānau, kei te heke tonu te hūpē, kei te maringi tonu ngā puna roimata. Haere, haere, haere atu koutou. Koutou te hunga mate ki a koutou, tātau te hunga ora ki a tātau, tihei mauri ora.

E ngā, mana, e ngā reo, e ngā kārangatanga maha o te motu whānui, tēnā koutou katoa.

Kei te mihi ki ngā whānau, ngā hapū, ngā iwi, ngā mataora, tae noa atu ki ngā rau rangatira ringa raupa hauora o ia rohe, o ia hāpori, o ia takiwā o Aotearoa, ahakoa ko wai, ahakoa ki hea. Ko koutou me tātau katoa te whānau rima miriona o Aotearoa, i noho pumau ki runga i te kaupapa o te rāhui kia noho haumaruru ngā tāngata katoa o Aotearoa. Ngā mihi rangatira ki a koutou katoa i pukumahi ki te tuku āwhina, ki te hoatu manaaki ki te hunga e māuiui ana, e rawa kore ana rānei. Engari, me noho mataara tonu i ngā wā kei mua i a tātau.

No reira, he mihi aroha, he mihi mutunga kore ki a koutou katoa, tēnā koutou, tēnā koutou, tēnā koutou katoa.

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We mihi to those who have passed during COVID-19 and their whānau at this difficult time.

We would also like to mihi to our essential workers who kept our nation going, to the health and disability sector, our communities who supported whānau and to the team of five million Kiwis who supported each other and respected the lockdown for the benefit of us all.

# What is health equity?



## Equality

Dealing equally with all does not create a just result



## Equity

Dealing fairly with all creates a just result



**The global definition** of equity is the absence of avoidable, unfair or remediable differences among groups of people, whether they are defined socially, economically, demographically, geographically or by another stratification. Health equity means that everyone should have a fair opportunity to attain their full health potential and that no one should be disadvantaged from achieving this potential.

The social determinants of health are the conditions in which people are born, grow, live, work and age. These circumstances are shaped by the distribution of money,

power and resources at global, national and local levels. These determinants are mostly responsible for health inequities – the unfair and avoidable differences in health status seen within and between countries.<sup>1</sup>



**The Aotearoa/New Zealand definition** of equity is to recognise different people with different levels of advantage, requiring different approaches and resources to get equitable health outcomes.<sup>2</sup> Health equity is not new to New Zealand's health and disability system, having grown in focus and prominence over the past 20 years.



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<sup>1</sup> World Health Organisation

<sup>2</sup> New Zealand Ministry of Health

# New Zealand cannot afford to discount health inequities anymore. It costs lives and livelihoods.

Rebuilding the New Zealand economy requires us to invest in the health and wealth of Kiwis. The issue of health inequity between people, communities, and regions was cast under the spotlight when COVID-19 arrived in New Zealand. The pandemic has added to,

and exacerbated, many longstanding issues. Is New Zealand courageous enough to take the necessary steps to reset our health equity balance sheet and **“make equity more than a word”**?<sup>3</sup>

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## How can Kiwis become healthy and wealthy post-COVID-19?

We must use this opportunity to address the structural barriers to health and social systems and ask, what is the price we pay if we continue to ignore inequities?

Health equity is more than a do good, feel good exercise in charity and compassion. It goes beyond the inclusion of Māori or Pacific words and images in reports. It is a social responsibility with real economic consequences

that requires smart, timely and future-focused investments. For the health and wealth of Kiwis our investment strategy must be to invest now for significant and comprehensive gains.

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<sup>3</sup> *University of Otago: COVID-19 and Māori health – when equity is more than a word*

# Ideas to support health equity

As the country continues to balance a health response to the pandemic with an economic and social recovery strategy, health organisations will need to navigate through immediate financial and operational challenges while rapidly redesigning for the indirect health and wellbeing consequences of COVID-19 and periods of physical distancing or lockdown.

In this special report we explore the ways that health providers, funders, and policymakers can work together to ensure all systems, decisions and responses are based on, and driven to, address current inequities.



## Integrated responses

The combined health, social, and economic consequences of COVID-19, and the associated lockdown, are likely to continue to exacerbate existing health inequities if we do not consider integrated responses that focus on the social determinants of health.

Māori whānau, hapū and iwi, and Pacific communities, have mobilised through the lockdown period to ensure that health and social needs in their rohe (regions) are taken care of in an integrated, people-focused and mana-enhancing way.

There is an opportunity to connect iwi Māori, hapū, and whānau, NGOs, Pacific services, communities and government agencies to build on and scale up this innovation and support both the health and economic recovery. To achieve this, we must answer some important questions in relation to COVID-19, such as:

- Whilst there was some community mobilisation during lockdown, why is there no fully integrated Māori wellbeing response that connects government agencies, iwi, Māori, hapū, whānau, communities and NGOs to respond more effectively to Māori health and social needs arising from COVID-19?
- Similarly, why is there no fully integrated Pacific wellbeing response connecting government agencies, Pacific communities, and NGOs to respond more effectively to Pacific health and social needs arising from COVID-19?
- Who will continue to lead the wellbeing response post the impact of COVID-19?
- How can community mobilisation be scaled regionally or nationwide?



### Alternative approaches to commissioning and procurement of health services

To rebalance how health services are commissioned, there is an opportunity to progress equity-based approaches to commissioning. This places people or whānau at the centre and includes the social determinants of health to achieve equitable outcomes. For example, commissioning services based on the needs of whānau to create transformational change, and using data to drive investment decisions and the measurement of outcomes.



### Adopting an indigenous procurement approach

Adopting an indigenous procurement approach can play a significant role in creating more opportunities for Māori and Pacific people to actively participate in the economy, and achieve intergenerational shifts in outcomes. New Zealand would need to decide what percentage of government contracts should be allocated to indigenous procurement and look for enablers that could pick up the pace in this space.



### Embedding virtual health

Telehealth can assist patients by improving access. The service has helped healthcare providers continue to meet patient needs during the lockdown period.

During the first lockdown, many organisations made the rapid shift to telehealth, for the most part, simply substituting existing models of care for a virtual alternative. Strategies are now needed to design and embed models of care that get the best from virtual health options, clinical and non-clinical workforces, and utilise technology to enable equity rather than entrench inequity.

Payers can foster quality in telehealth and digitally enabled models of care through payment incentives (short or long-term), training, support to ensure data and systems are protected, zero-rated data and sector-wide solutions for cashless payments. To build on the momentum for digital solutions created in the response to the pandemic, policy makers, funders and service designers should consider:

- What does 'best practice' look like for primary and community organisations delivering on the health needs of the 'new' New Zealand?
- How can the health and disability system empower New Zealanders to have better ownership and control of their own health data?
- How can DHBs and service providers enhance consumer experiences of health services and address current inequities?
- Is the health and disability system doing enough to bridge the digital divide to access essential health services?

How will the system build digital capabilities for consumers, whānau and clinicians so that service design is digitally inclusive and ensures all can benefit from digital platforms and technologies?

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<sup>4</sup> *Māori experiences and responses to racism in Aotearoa New Zealand*

<sup>5</sup> *Going Public: Levels of Racism: A Theoretic Framework and a Gardener's Tale. Camara Phyllis Jones, MD, MPH, PhD*



Racism is one of several forms of discrimination that results in the systematic privileging of some groups over others. It is the largest barrier to achieving equity.



### Addressing institutional racism and discrimination

Racism is one of several forms of discrimination that results in the systematic privileging of some groups over others. It is the largest barrier to achieving equity.

- **Institutionalised or 'systemic' racism** occurs when racism is embedded into an organisation's thinking or behaviour and has become everyday practice to the point of acceptance. This results in differential access to the goods, services, and opportunities of society by race. Described as 'inaction in the face of need'.
- **Interpersonal racism** (sometimes called personally mediated racism) is defined by Jones (2000) as differential assumptions of the abilities and intentions of others based on their race (prejudice) and differential actions towards someone because of their race (discrimination).<sup>4</sup>
- **Internalised racism** is defined as acceptance by members of the stigmatised races of negative messages about their own abilities and their intrinsic worth.<sup>5</sup>

As a country, New Zealand needs free and frank conversations to acknowledge and eliminate racism and other forms of discrimination.

There are immediate opportunities through workforce diversity, cultural competency, cultural safety approaches, and investing in resources for those who need it most to create an environment of trusting relationships that supports Māori and Pacific communities and organisations to lead their own solutions.

There is also a chance to address the power imbalances between those who make the decisions and those who are affected by them. It is difficult to achieve different outcomes if the same people, same mindset, and same lens are at the decision-making tables. The solution requires support across all systems, not just health, at a government level and New Zealanders need to decide:

- What is the Government's role in setting the standard?
- Is the Government ready to allocate decision-making rights to Māori, Pacific, and communities?
- Is New Zealand ready for more diverse representation on all government and business boards that reflects our nation?

A research paper [Racism and health in Aotearoa New Zealand: a systematic review of quantitative studies](#) published in the New Zealand Medical Journal this month (Sept 2020), links racial/ethnic discrimination with poorer health outcomes.



## Financial sustainability

Funders of health providers and organisations have a range of levers available to assist providers to ensure they are financially sustainable in a COVID-19 world. There is a need to shift the current funding paradigm from 'emergency response' funding to the new reality where we must all live with a COVID-19 backdrop. This will require frontline services to be able to scale up and down, shift from in-person to virtual or outreach with very little notice, and work collectively with other services in the health and wellbeing ecosystem.

Practical ideas to support financial sustainability of service providers include:

- Reallocating funding.
- Funding additional consultations beyond current thresholds.
- Increasing payments to allow for longer initial consultations for allied health services and primary care.
- Advance payments to provide cash flow for providers unable to trade during lockdowns.
- Consider cost underwrites for services with fixed costs.

Funding models should be based on the measurable improvement of health outcomes moving away from a focus on funding outputs on a volume basis.

While government support is welcome, in payments to GPs, community pharmacies, midwives, and funding to provide Māori and Pacific specific responses to COVID-19, the current model offers only a temporary fix. Looking ahead, there is an opportunity to reimagine commissioning and payment models to recognise the value of care. Why not allow organisations to reallocate existing funding and contracts to where the need is without penalty?



## The Health and Disability System Review

Completed prior to COVID-19, the report from the Health and Disability System Review outlines a proposed way forward for the health and disability system.

The report is explicit in saying that to improve equity, first we are required to acknowledge that the current inequities are unacceptable, and we must understand the contributing factors so that the health and disability system can become more effective in addressing inequities.

### **The Health and Disability System**

**Review** recommends a suite of changes aimed at bringing about a strong, sustainable, resilient health and disability system that delivers equitable outcomes. We have identified the key changes from this substantial report.

[Read our response.](#)



# How we can help

As a connector and influencer across health and social systems we can help you invest in the health and wellbeing of Kiwis and rebuild New Zealand together.

PwC's Hauora practice has worked with several key government agencies, NGOs, and private health organisations to respond to COVID-19. Our practice spans the entire health ecosystem from policy to implementation and covers health equity, Te Tiriti o Waitangi, investment strategies, operational models, outcome frameworks, commissioning frameworks, models of care, digital health, infrastructure, as well as strategy and policy. Please contact us for assistance in any of these areas and to reimagine hauora for Kiwis.

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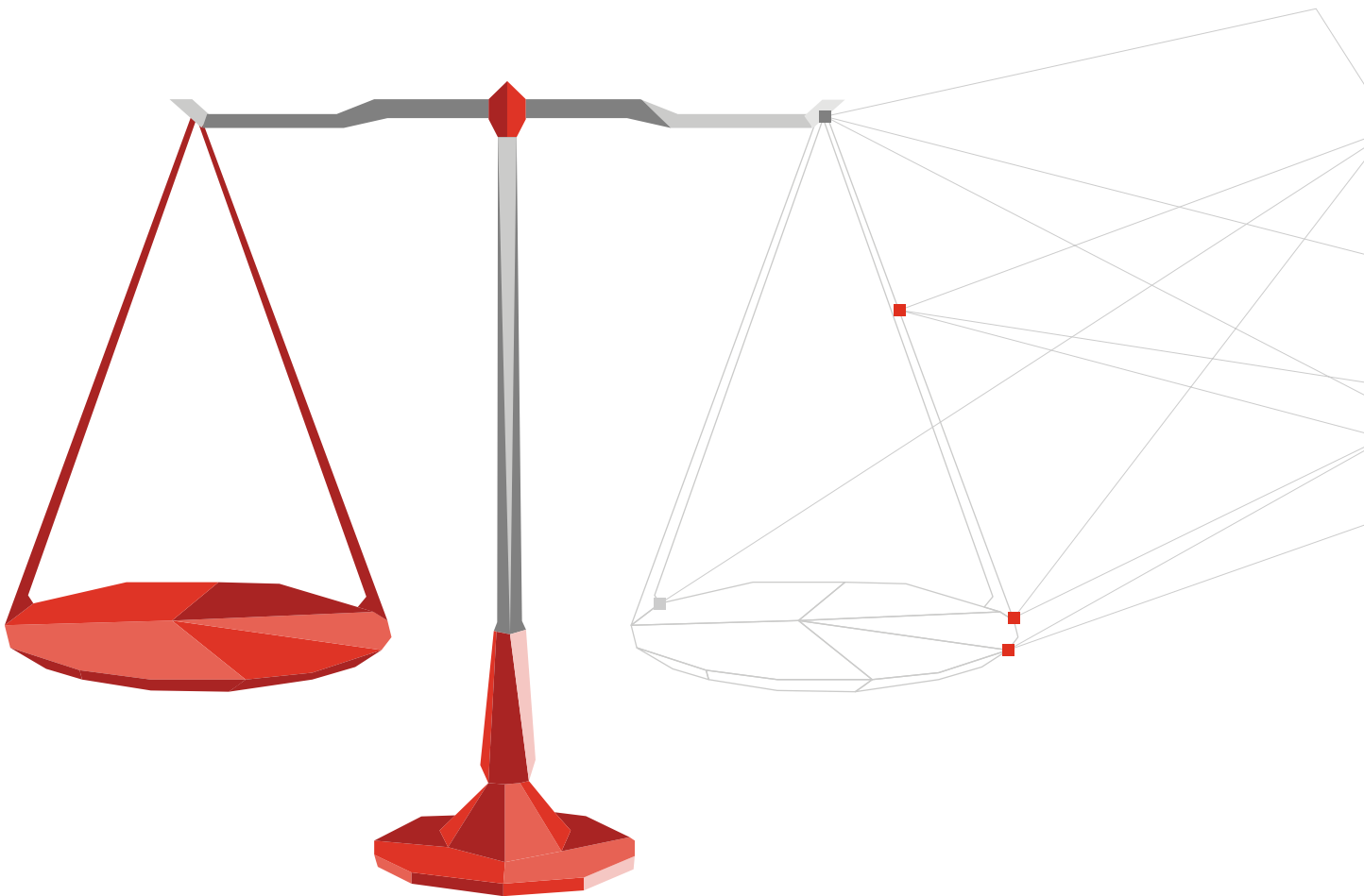
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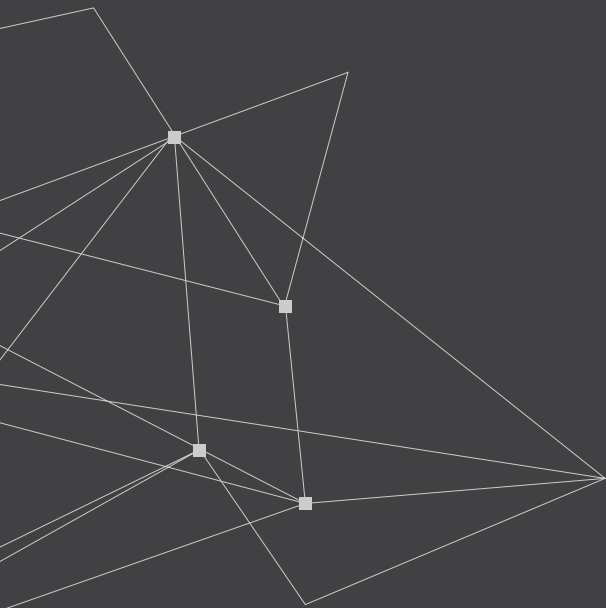
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