



Office of Hon Pete Hodgson

MP for Dunedin North

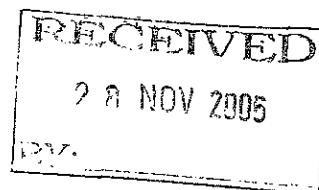
Minister of Health

Minister for Land Information

23 NOV 2006

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NZ Committee
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Dr Stewart Bryant, President
Dr Debra Graves, CEO
Royal College of Pathologists of Australasia
207 Albion Street
Surry Hills
NSW 2101
AUSTRALIA



Dear Drs Graves and Bryant

Pathology Workforce

Thank you for your letter of 23 October 2006, expressing your concerns in regard to the Pathology Workforce in New Zealand. I have considered the points you raise but have to inform you that I have not currently found reason to intervene in District Health Board arrangements in respect of pathology services.

It seems clear from your letter that the College and the Clinical Training Agency (CTA) continue to hold divergent views concerning numbers of trainees, pathology workforce projections and forecast methodology. I suggest that a meeting between the College and the CTA would be useful to compare respective points of view on workforce and I understand that CTA will shortly contact the College with the intention of arranging a suitable meeting.

I shall ask CTA to provide me with a briefing concerning the outcome of your joint discussions with the Agency.

Yours sincerely

Hon Pete Hodgson
MINISTER OF HEALTH

23 October 2006

The Hon Pete Hodgson
Minister of Health
Parliament Buildings
Wellington
New Zealand

Dear Minister

Thank you for meeting with representatives of The Royal College of Pathologists of Australasia on Monday 9 October 2006 to discuss concerns about the tendering of pathology services in New Zealand and the workforce crisis.

The representatives appreciated your acknowledgement of the pivotal position pathology plays in the delivery of the high quality medical services in New Zealand. However, it is for this reason the College has such serious concerns with events occurring concerning pathology at present.

The College, at the meeting asked you to consider three actions.

Specifically:

- The immediate cessation of further tendering arrangements for the delivery of Pathology services in New Zealand.
- The establishment of a high level National Pathology Advisory Council to advise the Minister and DHBs on pathology issues.
- The National Pathology Advisory Council to work with government to develop a National Framework for Pathology Service delivery by Christmas 2006.

These recommended actions arose out of an Open Forum of 70 pathologists in New Zealand the weekend prior to our meeting.

There was extensive discussion at the Forum about the tendering processes and the massive upheaval this was causing amongst pathologists and scientists. Many of those present indicated that they and other pathologists were seriously contemplating leaving New Zealand because of the uncertainty of how pathology services were to be delivered. Further the lack of adequate consultation with the profession over the changes had caused significant concerns.

At the meeting you stated that you did not want to consider these actions yet, however you expressed a desire for an ongoing dialogue with the College over the issue.

It was our understanding that one of the major reasons that you did not want to act on the recommendations was that you were yet to be convinced there was a

workforce crisis in pathology in New Zealand. As a consequence you felt that if some pathologists were to leave, while a concern, it would not have a dramatic effect on the provision of pathology services.

The graphs prepared for you by the CTA projected that New Zealand pathologist numbers relative to population would exceed those existing in Australia currently and those recommended by the Australian Medical Workforce Advisory Committee (AMWAC). These graphs were entirely at odds with the data the College has collected over the years on the New Zealand workforce.

It must be noted Australia is currently experiencing a workforce crisis itself with some 70 vacancies at present for pathologists.

The College requested copies of the details of the CTA data.

The College has now received and reviewed the data and consider the model used to produce these graphs to be flawed and the interpretations that there is not a workforce crisis to be erroneous. There are a number of reasons for this:

- Firstly and most importantly the statistics you use for pathology workforce in comparison with the current situation in Australia and the AMWAC projected figures include trainees as well as specialists. The data from Australia used for comparison only includes specialists. As a consequence the data for New Zealand is over inflating the pathology workforce by some 50-70 positions. Of note, even using this inflated data, NZ would not reach the Australian pathologists/head of population figures until 2010 and those required by the AMWAC projections until 2015.
- If the true figures of the number of pathologists excluding trainees are used New Zealand will not reach the current Australian levels until 2015 and the AMWAC levels until 2018. It must be stressed that the current Australian levels are considered inadequate to meet community needs.
- There are further problems with the data in relation to the number of pathologists entering the system.

The CTA statistics assumes that the following increases will occur in pathologist specialist workforce each year.

2007	9
2008	7
2009	21
2010	16
2011	10
2012	10
2013	8
2014	25
2015	18
2016	13
2017	13
2018	11
2019	11
2020	11

It is unclear how these figures are derived.

From the CTA's own figures there are currently 67 funded pathologist training positions (these include 11 trainees that are enrolled both with RCPA and RACP as joint trainees).

Only one fifth (approximately 12-14) of the 60-70 trainees will graduate in any given year as the training program is 5 years long with the positions spread over years 1-5. Of note this figure assumes a 100% pass rate (this is not the case as the average is about 75% thus decreasing numbers to 9-11).

It is worth noting the number of new Fellows entering the system over the last 4 years has been:

2003-7 new Fellows
2004-6 new Fellows
2005-10 new Fellows
2006-7 new Fellows to date.

It is very unclear, therefore, why there is expected to be an increase of 21, 16, 25 and 18 in some years.

It is acknowledged that the CTA has put on an additional 10 training positions in 2006/2007 and this may account for some increases but not the massive ones suggested.

Furthermore, these projections do not mention attrition rates (i.e. trainees dropping out of the training program all together or leaving New Zealand prior to completing training). It is worth noting of the 67 names provided by the CTA for trainees in 2006, 4 had left New Zealand to complete training in other countries.

- There will also be losses from the system because of retirement. Currently there are 27 pathologists (16%) in active practice age 60 years or over with 10 of them over the age of 65 years.
- Even without the current concerns regarding the tendering of pathology services, New Zealand has for many years been losing pathologists, whom it has trained, to overseas destinations.

The College estimates that in the last 20 years there have been at least 27 Fellows who have left New Zealand for overseas jobs and not returned.

Obviously New Zealand can import pathologists however the Pathology workforce crisis is international and the pay rates and conditions are not as good in New Zealand as in many other countries. As a consequence it will not be easy to attract large numbers of appropriately qualified pathologists to solve the shortfall.

In summary based on the New Zealand Government's own Clinical Training Agency figures New Zealand is currently well short of the number of pathologists required to reach the current Australian per head of population ratio and Australia itself is in crisis with some 70 vacancies currently.

Further based on the Government's own statistics and projections (which the College consider to be over inflated), New Zealand will not reach the same number of pathologists per head of population as in Australia until 2015 and that required by AMWAC until 2018. To say that New Zealand does not have a workforce crisis is clearly incorrect.

As a consequence the College considers that any more actions by the New Zealand District Health Boards and the New Zealand Government that will further destabilise and disenfranchise the pathology workforce should stop.

The College once again calls on the Government as a matter of urgency to act on the following:

- The immediate cessation of further tendering arrangements for the delivery of Pathology services in New Zealand.
- The establishment of a high level National Pathology Advisory Council to advise the Minister and DHBs on pathology issues.
- The National Pathology Advisory Council to work with government to develop a National Framework for Pathology Service delivery by Christmas 2006.

Yours sincerely



Dr Stewart Bryant
President



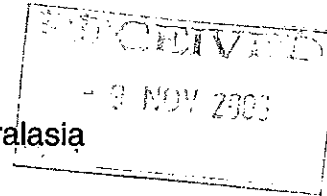
Dr Debra Graves
Chief Executive Officer



Office of Hon Pete Hodgson
MP for Dunedin North
Minister of Health

- 6 NOV 2006

Dr Stewart Bryant
The Royal College of Pathologists of Australasia
Durham Hall
207 Albion Street
Surry Hills NSW 2010
AUSTRALIA



Dear Dr Bryant

Thank you for your letter of 20 September 2006 regarding the pathology workforce.

I recently met with representatives of the RCPA, Clinical Training Agency (CTA) and the Ministry of Health. At that meeting the issues you raise were discussed. I am informed that the number of pathologists completing training in New Zealand is increasing and that the CTA has actively increased funding for trainees in district health boards and some private laboratories.

I also understand that the CTA has forwarded Dr Debra Graves its analysis of training positions for pathology registrars.

Yours sincerely

Hon Pete Hodgson
Minister of Health

20 September 2006

The Hon. Pete Hodgson
MP for Dunedin North
Minister for Health
Parliament Buildings
Wellington
New Zealand

Dear Minister

Re: Workforce Crisis in Pathology

Further to my letter to you of 21 August 2006 re the Pathology Workforce Crisis, please find attached a copy of the latest edition of PathWay magazine, the cover story being "Where Are All The Pathologists – Medicine's Endangered Species".

There is a recognised international *crisis* in the pathology workforce. The Australian Government has recognized the crisis in Australia; but New Zealand is in a worse situation, with the pathologists per head of population ratio at 1:18 000 versus Australia 1:15 500. New Zealand needs an extra 63 pathologists (a 31% increase in its existing numbers) to match the current *inadequate* levels in Australia.

Even more alarming is the age profile of pathologists in active practice in New Zealand. A recent review found that 16% of all pathologists in active practice are over 60 years and 6% or 110 are over 65 years. I urge your government to take this crisis more seriously and fund, as a matter of urgency, additional pathology training positions.

For further information please do not hesitate to contact the CEO of the College, Dr Debra Graves, telephone (02) 8356 5830 or email debrag@rcpa.edu.au.

Yours sincerely



Dr Stewart Bryant
President

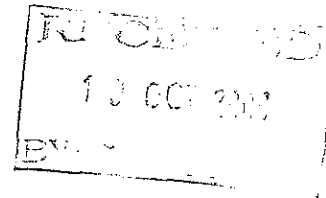
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Office of Hon Pete Hodgson
MP for Dunedin North
Minister of Health

06 OCT 2006

Dr Stewart Bryant
President
The Royal College of Pathologists of Australasia
207 Albion Street
Surry Hills
NSW 2010
AUSTRALIA



Dear Dr Bryant

Thank you for your letter of 21 August 2006 about the changes and restructuring of pathology services in New Zealand. I apologise for the delay in replying.

It is a district health board responsibility to consider the full impact of any changes in contracts or other ways of providing services in their areas. District health boards are increasingly working with other organisations, including the Ministry of Health and the Tertiary Education Commission, to ensure that there is a suitable health workforce.

I look forward to further discussing these matters when I meet representatives of The Royal College of Pathologists of Australasia on 9 October.

Yours sincerely

Hon Pete Hodgson
Minister of Health

21 August 2006

COPY

The Hon Pete Hodgson
Minister for Health
Executive Wing
Parliament
Wellington
New Zealand

Dear Minister

I am writing to you on behalf of The Royal College of Pathologists of Australasia to raise concerns over the changes and restructuring of pathology services in New Zealand and the impact this may have on the quality of pathology services and the pathology workforce in the years to come.

As you would be aware, pathology is an integral part of the medical process and without very high quality pathology services, the medical system will suffer. Pathology is a medical specialty with pathologists taking some 12–13 years to obtain the knowledge and skills required to practice effectively and safely. Pathology is also a team based specialty with pathologists, scientists, technicians and support staff working closely together in laboratories to provide a professional medical service.

Unfortunately there is a perception that the District Health Boards have supported the tendering out of pathology services as if it were a commodity such as laundry or food services rather than the medical service that it is.

While Governments have a duty to provide health services to their citizens in a cost effective manner, the College's role is to alert Governments when policies may have unforeseen negative effects on the provision of quality pathology services. Of paramount concern is that the recent restructure of pathology services may have an immediate and a long term adverse effect on workforce, and that the foundations for pathology services for the future may be eroded.

There is a recognised international *crisis* in the pathology workforce, as observed in a New Zealand Doctor article in June of this year¹. It is apparent you have acknowledged this by your comment in that article: "*The season of study and advice is closing and it's now time to begin implementing some changes*". The Australian Government has recognised the crisis in Australia; but New Zealand is in a worse situation, with the pathologists per head of population ratio at 1:18 000 versus Australia 1:15 500. New Zealand needs an extra 63 pathologists (a 31% increase in its existing numbers) to match the current *inadequate* levels in Australia. Should pathologists or scientific staff in New Zealand become disillusioned with their professional environment, there is a ready job market in Australia and most other countries in the world.

¹"a shortage of medical practitioners is particularly evident in general practice, psychiatry, and pathology" *New Zealand Doctor* 14 June 2006.

Further, the seemingly uncoordinated awarding of tenders in different DHBs over a period of many months may cause considerable damage to the pathology workforce. It may not allow the orderly migration of pathologists and scientists from one employer to another. For example, staff may not be able to stay in their original geographical location if a successful corporate tenderer in that region has to take an influx of displaced staff from another arm of its network.

There are a number of specific points the College wishes to raise:

1. The long term consequence of the treatment of pathology as a non-medical service is likely to have the following effects:
 - (1) Destabilisation of pathologists and the associated scientific workforce, with the likely outcome of extreme difficulty in maintaining and recruiting an appropriately experienced and qualified workforce.
 - (2) Limitations on the ability to maintain research in pathology, in particular the development of new tests. The adoption of new technology may also be impeded, as staff are needed to validate new tests into a test repertoire. Pathologists are already concerned that they only have time to provide direct patient services. Loss of workforce and the possibility of limited financial investment in facilities and instrumentation in view of the short life of the tenders will mean that New Zealand pathology may find it difficult to keep pace with current technology, let alone new and better means of diagnosis.
 - (3) Loss of opportunity to provide effective training for the future workforce. Already the training of new pathologists and scientists is very difficult because of the shortages of professionals to provide training. Any loss of pathology workforce from New Zealand will create an even worse problem.
2. This approach to managing pathology services is restricting the way pathologists can provide this vital medical service. Whether deliberate or inadvertent, this level of control on how pathology is practised in New Zealand will in our view have deleterious effects.
3. If a new contractor is the successful tenderer, District Health Boards should be required to have in place contingency plans to deal with any unanticipated gap in service provision in the transition process.

The College would urge the Minister to consider these implications of the tendering process and the likely adverse effects the process may have on the New Zealand pathology workforce and the consequential delivery of pathology services in New Zealand. The College would welcome an urgent meeting with you to discuss this further.

Yours sincerely,



Dr Stewart Bryant
President