

Media Release: June 19, 2024

Inadequate funding from Health New Zealand puts further pressure on patients

The General Practice Owners Association of Aotearoa New Zealand (GenPro) has firmly rejected the latest funding offer from Health New Zealand, warning that patients will be the ones who feel the pinch.

Health New Zealand this week confirmed that it will increase base level funding by 4% despite the strong messages from the health sector that much more is needed to ensure general practices remain viable and continue to provide services to their patients.

“Effectively, Health New Zealand has shifted the cost of keeping general practice viable onto the patients by underfunding general practices,” said Dr Angus Chambers, Specialist GP and Chair of GenPro, which represents most general practices across New Zealand.

“Practices are facing increasing cost pressures and workforce shortages, and all indications are that a 14% increase in funding is desperately needed to stabilise general practice. Health New Zealand has chosen to increase the base funding by only 4%.”

Despite strong initial feedback from GenPro on the inadequacy of the proposed increase, the offer was confirmed this week, and swiftly rejected by all general practice representatives. Health New Zealand will impose the increase through a compulsory variation to the contract.

“This will impact our most vulnerable communities the most and create further inequity in health outcomes, putting the viability of many practices at risk,” said Dr Chambers.

He said the proposal effectively means that patients will be forced to pay more to fill the gap created by inadequate funding, or general practices will be forced to reduce services to stay viable.

“Many patients are already struggling financially and this lack of investment by Health New Zealand will only add to their woes.”

Increased barriers created by affordability are going to hit the highest-need populations the hardest, furthering unmet need.

“These poor policy settings are causing the worst access to general practice services in memory. Some communities will lose all access to general health services, injury care and mental health care in the coming year.”

Dr Chambers also noted Health New Zealand’s zero investment in Careplus and Services to Improve Access, which are targeted at improving access to care for the most vulnerable and highest-needs patients.

“Under-investment in general practice is a false economy that will result in delayed diagnoses, greater ED attendance and hospital admissions, all of which will cost a lot more than the investment needed to adequately fund a sustainable GP service.

“This increase recognises neither the fragile state of general practices nor the cost-of-living crisis that New Zealanders are facing. Health New Zealand needs to justify its decision.”

-ends-

For more information:

Mark Liddle
Chief Executive
General Practice Owners Association (GenPro)

mark@genpro.org.nz
021 241 9665