



*Strong families, strong communities,
living longer*



**ALLIANCE
HEALTH+**

Alliance Health Plus Trust

Annual Report

2012/2013



Talofa lava, Kia orana, Malo e lelei, Fa
Halo ola keta, Mauri, Fakatalofa atu





Contents

About Alliance Health Plus	3
Our Board	6
Chairperson's report	8
Chief Executive's report	10
Alliance Health Plus highlights for 2012/13	11
PHO Clinical Network	13
Quality and practice liaison	15
Organisational performance	18
Service development and integration	19
Business support services	23
Financial Statements for the Year Ended 30 June 2013	24
Trust Directory	32
Auditor's report	33

kaalofa lahi atu, Bula vinaka, Malo ni,
, Tena koe, Namaste, Ni hao

About Alliance Health Plus

Established in August 2010, Alliance Health Plus Trust (AH+) is the only Pacific-led Primary Health Organisation (PHO) in Aotearoa New Zealand. The organisation commenced its operations as a PHO in January 2011 following the merger of its three founding organisations. The merger was the result of a successful business case which was submitted as part of the Government's Better, Sooner, More Convenient Primary Healthcare (BSMC) policy developments.

We are a medium sized PHO with operating revenue of \$17.16m in 2012/13. At 30 June 2013, our enrolled population was 76,985 across 19 General Practice organisations in the Counties Manukau and Auckland districts. Our point of difference is our focus on Pacific and high need populations. Our primary and community care network represents a long history of Pacific health and primary care contributions to the New Zealand health

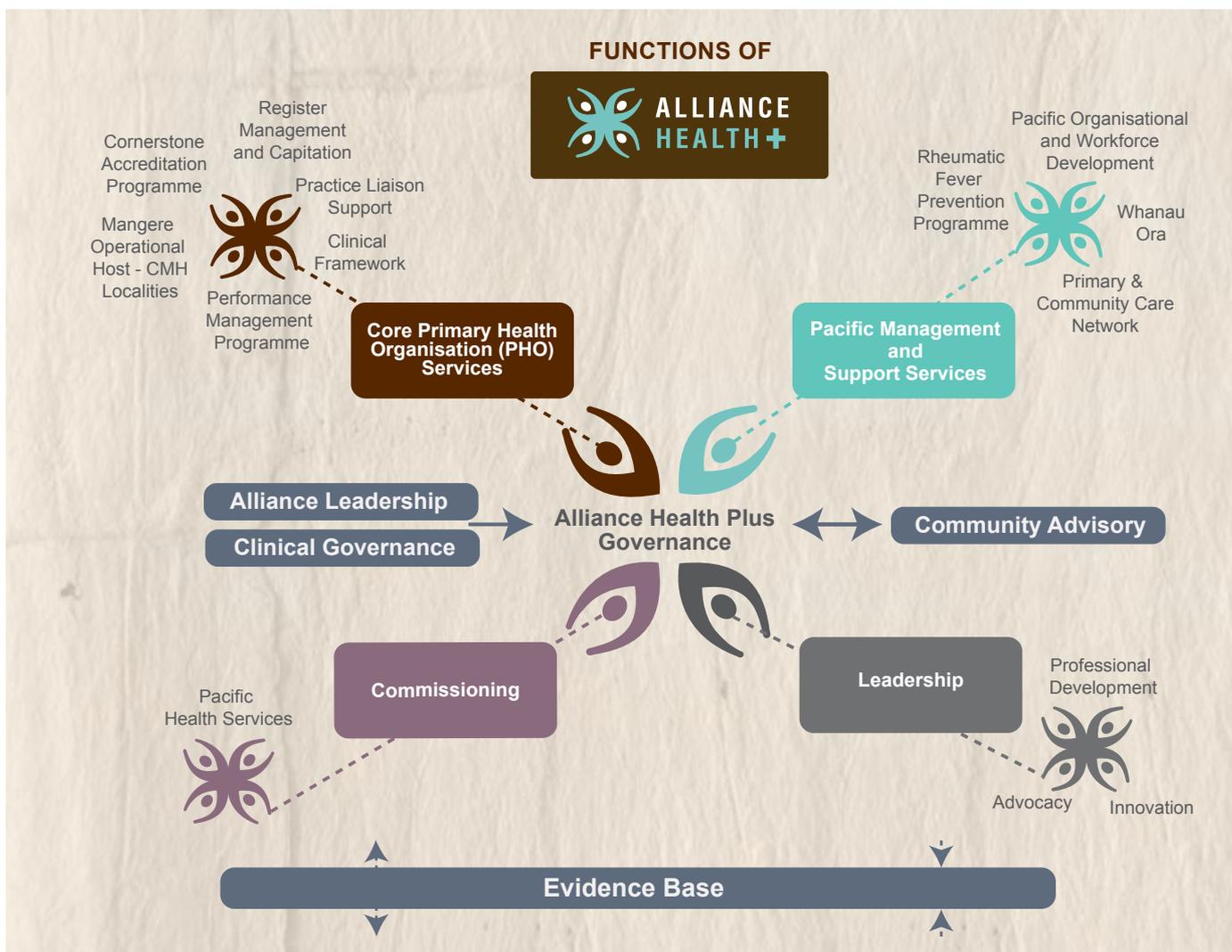
system. In addition to being a PHO, the organisation also leads a Pacific Provider Development Collective and a Pacific Whānau Ora Collective in New Zealand.

What we do

The way in which AH+ has organised its business allows for a focus on a high performing clinical network while at the same time maintaining the development of its shared support and commissioning responsibilities across a growing Pacific primary and community care network. Diagram 1 depicts the key functions of AH+. Our core primary care services are funded primarily through capitation and alliance agreements with District Health Boards (e.g. Mangere operational host role).

Our commissioning, service development, management and coordination functions for Pacific service provision are funded through non-capitated funding streams which are often targeted to specific projects.

Diagram 1: The Functions of AH+





Vision, mission and values

Vision

Strong Families,
Strong Communities,
Living Longer

Mission

Transforming the health and wellbeing of Pacific and high needs communities by providing accessible, culturally responsive and quality health and social care, that is delivered by a proficient workforce and high performing organisations.

Values

- People first
- Quality focus
- Innovation
- Leadership
- Integrity
- Team work

Our network

CLINICAL PROVIDER NETWORK

The Airport Doctors
Auckland City Doctors
Avondale Family Health Centre
Bader Drive Healthcare Mangere
Bader Drive Healthcare Manurewa
Hong Kong Surgery
Langimalie Health Centre Panmure
Langimalie Integrated Family Health Centre Onehunga
Mangere Family Doctors
Mt Smart Medical Centre
Mt Wellington Integrated Family Health Centre
New Al-Dawa Medical & Dental Centre
Otahuhu Family Practice
Otahuhu Medical Clinic
The Puhinui Doctors
Pukekohe Family Doctors
Sandhu Doctors
Seddon Street Medical Centre
South Seas Healthcare
Waiuku Health Centre

PACIFIC PROVIDER COLLECTIVES 2012/13

Bader Drive Healthcare
Health Star Pacific Trust
Mt Wellington Integrated Family Health Centre
Penina Health Trust
South Seas Healthcare
Tongan Health Society

HEALTHY VILLAGE ACTION ZONES PARTNER (HVAZ) CHURCHES

Christ the King
Grey Lynn EFKS
Grey Lynn Methodist
Maungarei Cook Island
Mt Roskill Assembly of God
Onehunga Cooperating Parish
Onehunga Metotisi
Otahuhu Methodist
Sandringham EFKS
St Josephs Catholic Church
St Patricks Glenn Innes
Tokelauen Church
Tamaki PIC
Vaine Mo'onnia

Our Board

AH+ has a skills-based Board of Directors that cover a broad range of technical, community and cultural competencies.

The Board of Alliance Health Plus, and the Clinical Governance Committee of the Board, both met monthly throughout 2012/13. Financial statements were reviewed at monthly Board meetings alongside a bi-monthly Audit & Finance Committee meeting.

The Alliance Leadership Team met quarterly throughout the year. The Alliance Leadership Team has joint representation between the two DHBs involved in the AH+ Better Sooner More Convenient (BSMC) Business Case (Auckland District Health Board and Counties Manukau

Health), and Alliance Health Plus Board and executive management. This Alliance Leadership Team has proven a valuable vehicle for the development of Alliance Health Plus and for alliancing between the three organisations.

Through a series of Board and staff meetings in 2012/13, the Vision, Mission and Values of AH+ were re-visited and amended. Strategic and Annual Plans were developed with the Board formally monitoring organisational performance against the Annual Plan every three months.



Chairperson

Dr Sirovai Fuata'i

MBChB (Otago), Dip Obs (Auckland), FRNZCGP

Dr Fuata'i has worked with Pacific communities for over 25 years as a General Practitioner in Counties Manukau. He is the Director of Bader Drive Healthcare which has clinics in Mangere and Manurewa. He is a GP Registrar Teacher and has been involved in the development of Disability Service Networks in Counties Manukau and Auckland. He has previously held posts as Vice President of the Cerebral Palsy Society of NZ and Board Member of Taikura Trust, a provider of needs assessment and service coordination for Disability Services across Auckland.



Uluomato'otua (Ulu) Saulaulu Aiono ONZM

BSc, MBA

Ulu Aiono founded successful software technologies company COGITA in 1983. In 2011 he became an Officer of the New Zealand Order of Merit for services to business. He is Chairman of the Pacific Island Chamber of Commerce, Chairman of the National Pacific Radio Trust, a Member of the Auckland Regional Economic Development Forum and the Auckland University of Technology Council. Ulu supports the principle of giving back to local communities and is sponsor of the Inspiration Award for the annual Prime Minister's Pacific Youth Awards.



Dr Malakai 'Ofanoa
BHScHe, MSchPSc, PhD

Dr 'Ofanoa is Deputy Director, Pacific Health at the School of Population Health, University of Auckland. Dr 'Ofanoa is also Chairman of the Tongan Health Society. He has served as a church and community leader and is on the Board of Trustees of Marcellin College Auckland, as well as Chair of its Parent Teacher Association.



Dr Teuila Percival QSO
MBChB, FRACP

Dr Percival is a Consultant Paediatrician at Middlemore Hospital and Director of Pacific Health, School of Population Health, University of Auckland. She is a Member of the South Seas Healthcare Board and Vice President of the Pasifika Medical Association. Dr Percival is Principal Investigator of the Pacific Child Health Indicators project in the Pacific as well as for OPIC 2, a family-based intervention for Pacific children. In 2010, Teuila became a Companion of the Queen's Service Order for her services to the Pacific community.



Leopino Foliaki
BCom

Leo Foliaki is a senior partner at PricewaterhouseCoopers and has been with the firm for over 25 years. He has a wide range of experience from due diligence acquisitions, initial public offerings and audits. Leo is a member of the New Zealand Institute of Chartered Accountants and has a Bachelor of Commerce from the University of Auckland. Leo's father is well known as an early pioneer in Pacific health and Leo is interested in continuing this work, particularly with the Tongan community.



Dr Mark Eustace
MBBS (London) Dip Obs (Auckland) FRNZCGP

Dr Eustace has over 19 years' experience in managing a rural medical service. He has expertise in developing and implementing innovative, integrated and culturally appropriate models of care such as working with local iwi to develop a marae-based clinic which provides free health services to high need patients. He also worked with local developers to plan and build an integrated health centre in Waiuku where he works as a GP.



Chairperson's report: a new chapter in primary and community care

As Chairperson of Alliance Health Plus Trust (AH+), it gives me great pleasure to present to you this Annual Report for the year ended 30 June 2013.

This is the first Annual Report we have completed and in doing so, it signifies the beginning of a new chapter in our journey as a Primary Health Organisation (PHO). We are now entering a new phase of development following the completion of our Better Sooner More Convenient (BSMC) business case in June 2013. The impetus for our BSMC aspirations was to provide services to communities that would make sure those with the greatest needs were well served by quality providers and a competent workforce. Over the past 12 months we have refined our PHO model to focus on four key elements: core primary care services, Pacific service development and coordination; commissioning for outcomes and sector leadership. We provide an alternative to mainstream services through enhanced models of primary and community care which deliver results. In 2012 we were one of only two PHOs across the country to implement a Clinical Framework with a flexible funding pool arrangement. We have seen the fruits of this in our current clinical performance.

Our first Annual Report tells a story of steady progress that has produced results that the Board is especially proud of. In 2012/13 we finished third overall on the national PHO league table for aggregated primary care national health targets. What makes this achievement significant is that while we acknowledge the difficulties in reaching high need communities, this result shows that it can be done.

This provides evidence that relatively smaller, niche PHOs have a critical role to play in the New Zealand health system. While the argument for critical mass is an important one,

it is not the only driving factor in performance.

I am proud of the work we have done in Mangere through our new role as operational host for Mangere sub-locality developments. This is strongly aligned with our BSMC aspirations of establishing a virtual Integrated Family Health Centre (IFHC) in Mangere. This role has expanded our work into shared management support services and is also providing us with the ability to work alongside our other PHO colleagues through projects that support interdisciplinary team approaches and workstreams for local service planning.

While progressing other areas of IFHC development with DHBs has been variable, we are pleased that service devolution has begun with Pacific health integrated contracting and commissioning functions. This is a milestone not only for the Pacific health sector, but across the state sector, and I wish to acknowledge Auckland and Counties Manukau DHBs leading the way in commissioning for Pacific populations. This is a positive step forward with DHBs opting for more collaborative and integrated approaches to working alongside families, communities and the providers that serve them.

I also wish to make mention of Whānau Ora which was an important part of our journey in 2012/13. We have expanded our Whānau Ora approach to six navigators within providers who are on the ground working with families to help them reach their goals for transformational change. Working in the business of transformational change is often 'messy' because at times it requires providers to work in ways that require a great deal of flexibility and skill to navigate complex family dynamics, multiple government agencies and community

Chairperson's report cont.

organisations working with a Whānau /family. I would like to personally thank those Pacific providers in our Whānau Ora Collective who have applied their cultural frameworks and years of experience in working with some of our most vulnerable populations to refine *o le aiga ma le fanau ia ola* - our approach to Whānau Ora.

Being able to navigate the new policy direction introduced through BSMC and the realities of a fiscally constrained environment has required new ways of thinking. With the appointment of a new Chief Executive, Senior Leadership Team and a new organisational structure in 2012, AH+ has

embarked on its own transformational change programme with a view to position AH+ as a strong, high-performing health and social care organisation with a focus on Pacific and high needs populations. I would like to thank my fellow Board members, our Chief Executive Mr Alan Wilson, and the AH+ staff for their commitment to the work of the PHO. I would also like to acknowledge our funders, the Ministry of Health, Te Puni Kokiri, Auckland District Health Board and Counties Manukau Health for their continued support for AH+.



Dr Sirovai Fuata'i
Chairperson



Chief Executive's report: building a platform for performance

This Annual Report recognises the hard work of AH+, its clinical network and Pacific provider collective during the 2012/13 year.

in 2012/13 we focused on imbedding robust systems and processes across the organisation which underpinned an ambitious work programme. We have implemented an organisational scorecard which we report on each month to manage our performance and track progress as an organisation. This approach is consistent with an organisation which must not only do well, but which must also be seen to do good.

While 2012/13 has been a successful year, our work is far from done – we are still a relatively new organisation having only been formed in mid 2010. Over the past 12 months we have had to adapt our strategies and refocus priorities in order to keep pace with the current policy context and to deliver on our BSMC business case, our Whānau Ora business case and DHB locality development plans.

There is also much work to be done to address the health disparities that remain in place for Pacific populations in Auckland. For example, Pacific peoples continue to have life expectancy of 7.7 years less than other people (excluding Maori). Major health conditions of diabetes (and its associated complications), poor nutrition, high rates of smoking, and heart disease are all major causes of premature death. Poverty, poor housing and education

levels are inextricably linked to poor health outcomes. As New Zealand's only Pacific-led PHO we have the networks, the experience, the mandate and the responsibility to improve the health and wellbeing of Pacific populations. This will be done through intersectoral collaboration, developing and delivering key health improvement strategies, and through building Pacific provider capacity.

The challenge is to move beyond health targets towards more measurable indicators of health improvement. Our interest lies in sustainable changes in health behaviours for Pacific and high need population groups which fits with cultural understanding, belief systems and which is reflective of community realities. We believe that this work will produce transformational change for patients and their families that will ultimately lead to better health and social care outcomes.

In a climate of constrained health spending and with major health issues facing Pacific and high needs populations, we are proud of our achievements over the last year. AH+ remains committed to providing ongoing leadership in the areas of clinical performance, quality and in working with Pacific and high need populations. We are looking forward to building on our platform of performance and partnering with our provider network to deliver better health and social care outcomes for the enrolled population we serve.

Alan Wilson
Chief Executive

Alliance Health Plus highlights for 2012/13



Clinical services

- Capitated population increased from 58,000 to 76,000
- Implementation and delivery of a Clinical Framework, aligned to a robust performance based Flexible Funding Pool model
- 77% achieved against the Cardiovascular Disease Risk Assessment (target of 75%)
- 82% achieved against the Smoking Brief Advice Target of 90% - second in the country
- 93% achieved against the 8-month Immunisation target of 90%
- Each month 20-30 practice staff attended Continuing Nursing Education or Continuing Medical Education provided by Alliance Health Plus
- Achieved third place amongst all PHOs in the aggregated national health targets
- Increased uptake of Text To Remind services by practices
- Exceeded the target for women receiving Cervical Smears
- Best Practice Intelligence Tools implemented across AH+ practices for real time reporting
- Expansion of the Clinical network with a net increase of four practices





AH+ Working with communities

- 220 families were referred to the Snug Homes Warm Up Home Insulation programmes through Whānau Ora
- 65 families received support to achieve their aspirations through our Whānau Ora approach
- 344 families were actively engaged through Mama's House for child and maternity at the Pasifika Festival
- 145 parishioners received a health assessment and a personalised care plan through the Healthy Village Action Zones Programme
- 174 parishioners completed a self-management education (SME) session in a Pacific church setting



PHO Clinical Network

Alliance Health Plus experienced some practice movement in 2012/13 and was pleased to welcome four new practices to the clinical network. At 30 June 2013, there were 76,985 enrolled patients in the PHO. Eighteen of the current 20 practices were Very Low Cost Access (VLCA) practices

Table 1: AH+ practices by District Health Board from 2012/13

	July 2012	July 2013
ADHB	11	10
CMDHB	5	10
Total AH+	16	20



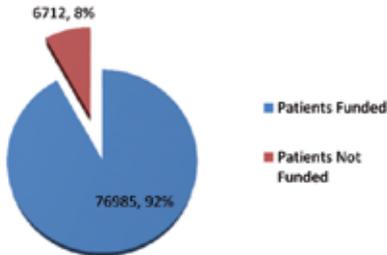
Patient Register

Alliance Health Plus - July 2013 to September 2013

Funded

Patients Funded	76985
Patients Not Funded	6712

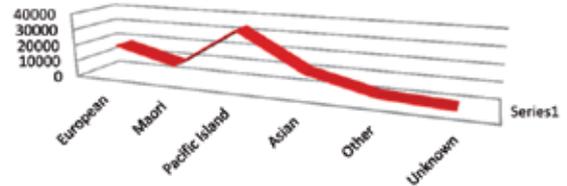
FUNDED



Ethnic Group

European	18817
Maori	9141
Pacific Island	34240
Asian	12180
Other	2480
Unknown	127

ETHNIC GROUP

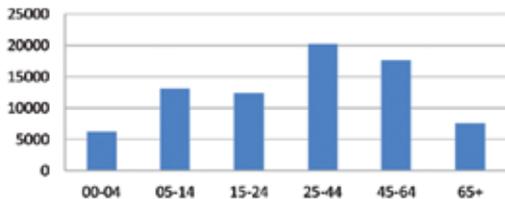


	European	Maori	Pacific Island	Asian	Other	Unknown
Series1	18817	9141	34240	12180	2480	127

Age Group

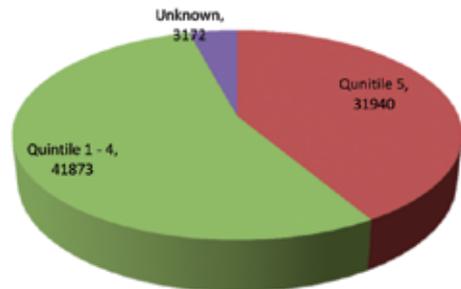
00-04	6193
05-14	13097
15-24	12393
25-44	20199
45-64	17558
65+	7545

AGE GROUP



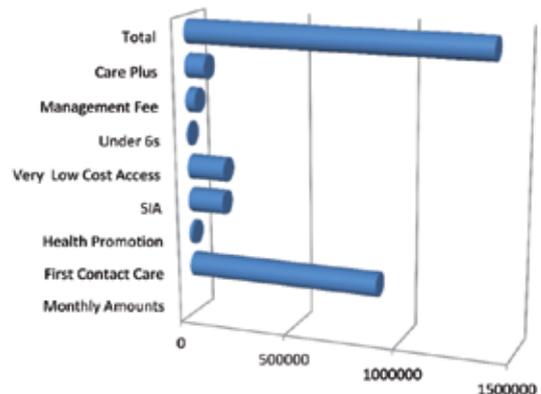
Deprivation Index

Quintile 5	31940
Quintile 1 - 4	41873
Unknown	3172



Financial Summary

Monthly Amounts	
First Contact Care	886326.14
Health Promotion	16583.86
SIA	165461.75
Very Low Cost Access	175134.89
Under 6s	7255.16
Management Fee	44227.36
Care Plus	93321.91
Total	1388311.07



Quality and Practice Liaison

Throughout 2012/13 AH+ has had a focus on developing the Practice Liaison and Quality Team within our core PHO function. This team is responsible for supporting practices across multiple areas of the network.

Cornerstone accreditation

AH+ continued to actively promote the attainment of Cornerstone Accreditation to the "Aiming for Excellence" national standard of the Royal New Zealand College of General Practitioners. Supporting practices to achieve Cornerstone Accreditation is a responsibility of the Practice Liaison and Quality Team and is achieved through:

- regular meetings with AH+ Practice Liaison and Quality staff who are experienced in gaining Cornerstone Accreditation and in interpreting Cornerstone criteria
- the use of tools and templates to make the Cornerstone journey a simple and efficient process
- provision of draft systems, processes and policies that are adapted to individual practice situations
- coaching in the requirements of Cornerstone Accreditation with internal pre-survey audit against the standards.

58% of Alliance Health Plus practices have Cornerstone Accreditation at July 2013 with an additional four practices partly through the process. In 2012/13, South Seas Healthcare achieved its third cycle of Cornerstone accreditation with nil recommendations for the second time. South Seas Healthcare was the first Pacific practice to gain Cornerstone Accreditation in 2006.

In 2012/13, 50% funding support for Cornerstone Accreditation was introduced across AH+ practices as part of our commitment to support the attainment of Cornerstone Accreditation as a means of improving systems, processes and practice capability.

Register management support

Throughout 2012/13, Register Management Support was provided by AH+ staff to practice administration staff in the form of resources and education on correct enrolment procedures, understating of the Ministry of

Health requirements around eligibility, and entitlement of patients for funded health services. Karo Data Management Ltd assist with the management of data from AH+ practice registers throughout the year.

Best Practice suite of tools

The Quality and Practice Liaison Team provide support on the use of Patient Management Systems (PMS) and on the Best Practice Suite of Tools. In early 2012/13, AH+ introduced Best Practice Intelligence (BPI) across our practices. The 'patient prompt', which is a dashboard reminder on the PMS, has proven to be a valuable resource in achieving National Health Targets. With some of the new AH+ practices using the 'My Practice' software, further work is underway to integrate the BPAC suite of tools with 'My Practice' software.

Clinical Framework and Flexible Funding Pool

In July 2012, AH+ was the first PHO in metro-Auckland and the second in New Zealand to introduce a Clinical Framework. This Clinical Framework provides an outcomes-based quality programme which is consistent with National Health Targets, the PHO Performance Programme (PPP) of the Ministry of Health, and best practice primary care. In addition, the Clinical Framework also provides the vehicle to financially incentivise practices for achievement against core clinical indicators.

Since 2011 AH+ has operated a Flexible Funding Pool aggregating Services to Increase Access (SIA), Health Promotion (HP), and Care Plus funding. The Flexible Funding model passes a potential of 90% of FFP funding to practices with the quality payment augmenting funding already available under the national PHO Performance Programme.

Both the Clinical Framework and the linked Flexible Funding Pool have been well adopted by practices and this is reflected in the high level of practice performance against targets. New targets are set and agreed between the Clinical Director and each practice at the beginning of each year.



PHO performance programme

The Alliance Health Plus Clinical Framework includes all indicators that are part of both the National Health Targets and the PPP Programme. Progress towards the PPP targets has been very positive over the year with the PHO meeting all but two indicators in the PHO Performance Programme. Overall AH+ achieved 97.7% of total available incentive funding for the PPP indicators ending June 2013.

PHO quality systems and ISO accreditation

During 2012/13, a key objective was to ensure high quality internal systems and processes were in place across all areas of business practice including procurement, contract management, finance systems, risk management, health and safety, human resources and organisational policy development.

AH+ is now engaged in the process of gaining formal ISO accreditation with audit planned for early 2014.

Education and training support

Throughout 2012/13, AH+ continued to coordinate a monthly Continuing Medical Education (CME) and Continuing Nursing Education (CNE) programme with topics determined by practice demand. General Practitioners receive Maintenance of Professional Standards (MOPS) points. Nurses receive certificates of attendance for their portfolios and are expected to attend at least 10 continuing educational sessions per year. Regular feedback on the education programme was sought and incorporated into planning of future sessions.

In addition to clinical sessions (e.g. training in joint injections), updates were also provided on a number of changes including the new ACC 18 Certification requirements and the introduction of Best Practice (BPAC) suite of tools. Overall satisfaction of those attending was very high.



Working with District Health Boards

Throughout 2012/13, AH+ has valued the support of both Counties Manukau Health (CMDHB) and Auckland DHB (ADHB) as we worked together to improve performance and contribute to the objectives of both DHBs. Some of the developments in our relationship with District Health Boards has included:

- AH+ providers performed services well against all DHB contracts. AH+ achieved timely and high quality reporting against contracts to both DHBs. This was supported by the new systems and processes AH+ implemented during the year. The AH+ Board reviewed performance against contracts monthly
- AH+ initiated then delivered weekly reporting of PHO performance to both local DHBs against National Health Targets. This demonstrated the strong commitment

of AH+ to achieve the national health targets and to implement the systems and processes to deliver those gains

- During 2012/13, AH+ presented to the Pacific Advisory Group at Counties Manukau Health on AH+ developments, achievements and performance
- Throughout 2012/13, AH+ played an active role in all DHB primary care activities and worked collaboratively with other PHOs around areas of mutual interest
- In 2013/14, AH+ is part of the District Alliance between all PHOs and CMDHB and an Alliance Agreement is expected to be signed between ADHB and AH+



Performance against Health Targets

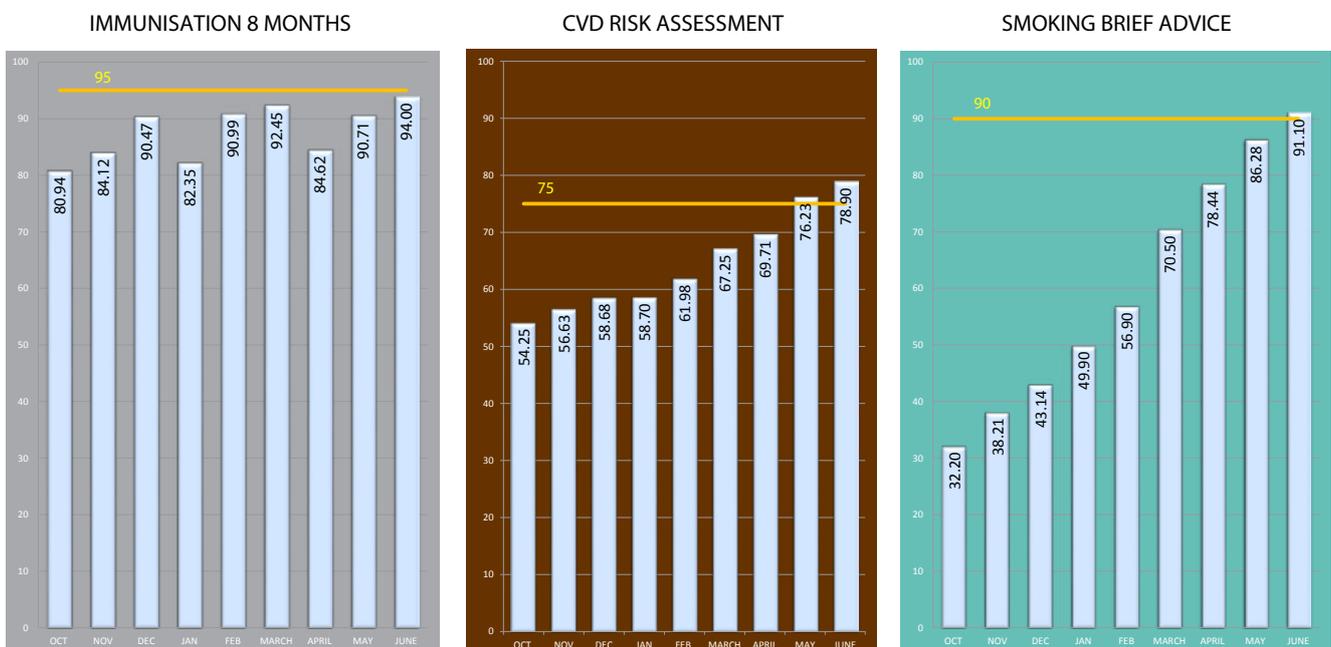
High performance against National Health Targets was a key objective of AH+ for the year with achievement of excellent results. These National Health Targets are set by the Ministry of Health for the 35 PHOs in New Zealand and are publicly reported by the Ministry of Health. In mid-2012, AH+ set a target of being in the top quartile of the 35 PHOs by June 2013. This stretch target was well exceeded achieving third top performer across the aggregated national targets.

This high performance reflects many factors within AH+:

- A strong cohort of high-performing practices and practice staff with a sense of pride and commitment to achieve the national health targets. There is widespread acknowledgement within providers that the National targets are relevant, worthwhile and of benefit to patients
- Within the PHO, a strong Practice Liaison and Quality Team, and Clinical leadership who contribute strongly to on-site support of practices in achieving targets
- Initiation of weekly performance data at the practice level. Weekly graphs provided visual clarity and comparative performance assisted practices to focus on achieving these targets
- Introduction of the BPAC tool and patient prompts made it easier for clinicians and administration staff in practices to know which patients required CVRA and Smoking Brief Advice
- Programme plans were developed by the PHO to provide guidelines that made it easier for practices to best achieve national targets

ALLIANCE HEALTH PLUS TRENDS TOWARDS ACHIEVING NATIONAL TARGETS

Oct 2012 to June 2013



(Data source BPI data including all practices except two practices joining in the 4th Quarter and not using BPI)

In April 2013, AH+ was the first PHO within ADHB to have its Auckland practices exceed all the national targets. Throughout the year, AH+ staff and practices worked together to confirm new systems and processes were in

place to achieve sustainable improvements. In 2013/14 the national targets have been raised and plans are already underway to assist practices to reach these higher targets.

Mangere Locality

Through the Counties Manukau Health Localities Strategy, there are four Localities with Counties Manukau Health – Eastern, Manukau, Franklin and Otara/Mangere. In each of these Localities, Primary and Secondary care work together to improve the integration of local services under the auspices of each Locality Leadership Group.

AH+ has the role of Operational Host for the Mangere Locality with responsibilities for providing PHO leadership within that Locality. The Mangere Business Case was completed in late 2011 and a work plan developed for the Locality.

Health services in the locality are delivered by thirteen general practices, and a number of pharmacies, Non Government Organisation health and community service providers along with Counties Manukau Health secondary services.

Achievements of the Mangere Locality Project in 2012/13 include:

- Establishment of the Mangere Locality Leadership group
- Development of the Mangere Locality Work Plan which includes close association with the Whānau Ora and Fanau Ola strategies
- Identification of priority goals for the Locality which focus on improving outcomes for people with long term conditions, in particular, Diabetes, Mental Health and Cardiovascular disease
- A stocktake of referral patterns and pathways taken by patients with diabetes and mental health conditions across the thirteen primary care practices in the locality

- A stocktake of referral trends and pathways to access laboratory and radiology services the thirteen primary care practices in the locality
- Active participation in the At Risk Individuals (ARI) project which has involved collaboration across general practices in Mangere to evaluate how DHB interdisciplinary health teams can work with primary health care to optimise services to individuals identified as being at high risk of admission to hospital. The project aims to improve care and prevent admission
- Planning for a workshop to bring representatives from Primary, Secondary and NGO Mental Health providers in Mangere together to develop a model of care for the locality which delivers improved outcomes for people living with mental health conditions
- Preliminary work on the establishment of a Health Hub for the locality - the Mangere Community Health Centre has been identified as a Health Hub for Mangere which will provide better access to services for the people of Mangere. Services proposed for the Health Hub includes multidisciplinary team clinics, specialist outpatient clinics and a resource and education area to enable self-management education and rehabilitation clinics to be delivered locally
- In association with GAIHN (the greater Auckland Integrated Health network) evaluation of access to urgent care services for people living in the Mangere locality.



Service development and integration

The Service Development and Integration (SDI) team was established in August 2012 and is responsible for the development of non-capitated services and models of care that target Pacific and high need populations across metro-Auckland. The focus of the SDI team in its first 12 months has been on developing its capability to support a Pacific primary and community care network, including the ability to take on commissioning functions for Pacific health services. The SDI team has also completed stage two of the AH+ organisational development work programme and has supported its Pacific provider network to develop their own provider and workforce development plans.

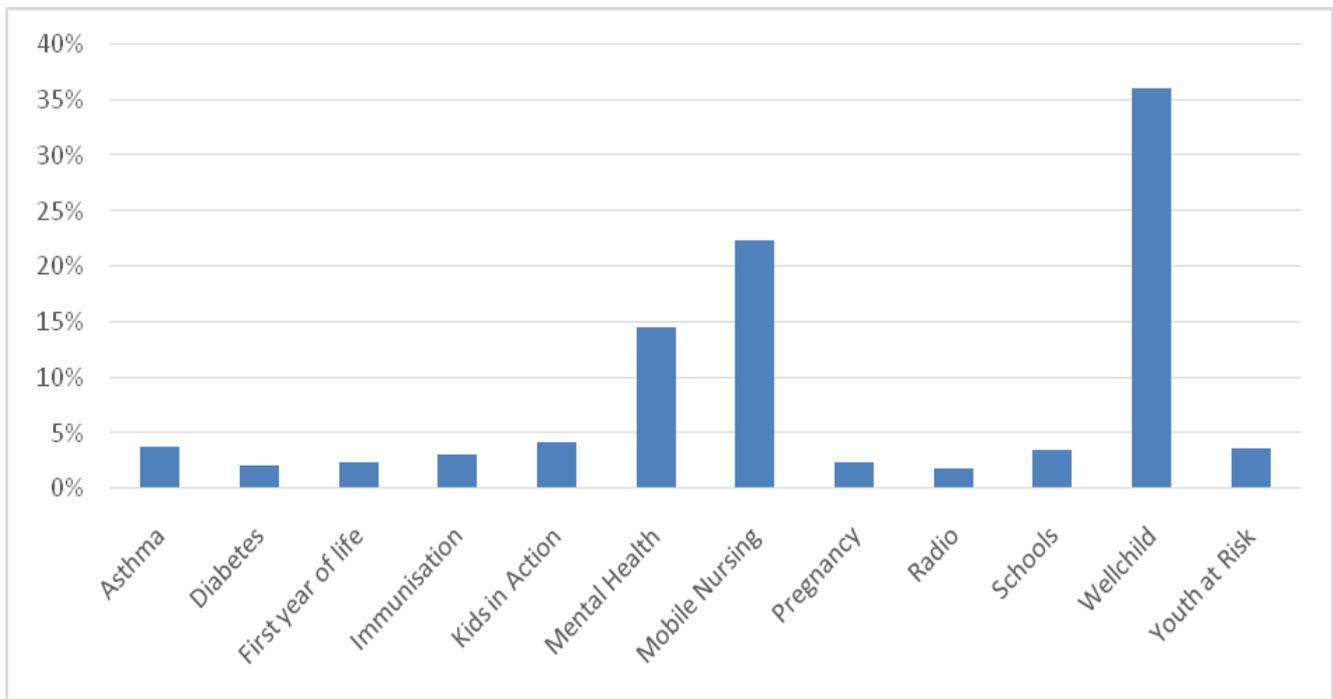
The SDI team has maintained a strong focus on building relationships with families and local communities through such programme as Healthy Village Action Zones (HVAZ) and through its Whānau Ora approach. This has included working alongside its Collective of Pacific providers to enhance its navigation service and access to Whānau

Integration, Innovation and Engagement (WIIE) support.

Contract integration and commissioning Pacific health services

Central to the achievement of the AH+ BSMC business case was the need for primary, secondary and community care integration, and the introduction of a new contract methodology focused on outcomes. In 2012/13 AH+ worked alongside ADHB and CMH to transition an agreed first tranche of Pacific health contracts to AH+. This included AH+ assuming greater responsibility to plan, coordinate, implement, monitor and audit service delivery for the contracts. The service level funding agreed for devolution from 1 July 2013 was approximately \$2.9 million per annum across 22 contracts. The following diagram depicts the distribution of funding by service area.

Diagram 2 – Distribution of funding



External audit of AH+ capability and capacity to commission

In preparation for the additional commissioning functions AH+ will now perform, we introduced an internal review of systems and processes to ensure that we are able to execute the tasks required in an integrated contracting environment. We also had an external review from Price WaterhouseCoopers (PWC) in December 2012 to assess the capability and capacity of AH+ against the new areas of delegated responsibility. This review was a requirement of Counties Manukau Health to determine suitability for the devolution of some of its commissioning functions for Pacific health services. The review commented on the high level of capacity and capability within AH+ including its existing systems and processes relevant for commissioning from 1 July 2013.

Whānau Ora for Pacific families

The AH+ Collective is one of four Pacific-led Whānau Ora Collectives across New Zealand. The vision for the Collective members is empowering kopu tangata, vuvale, magafaoa, āiga, fāмили, kāiga, family, to help themselves to then help others. The AH+ Collective has developed ethnic-specific cultural frameworks and a toolkit to support the implementation of its Whānau Ora approach. AH+ provides a change management and coordination role across the Collective, and also centrally manages

the Whānau Integration Innovation and Engagement (WIIE) funding for families which is applied to support the implementation of Whānau plans. In 2012/13, the AH+ Whānau Ora Collective was pleased to extend its current Whānau Ora programme with the introduction of a data analyst and six navigator positions in provider organisations to work with kopu tangata, vuvale, magafaoa, āiga, fāмили, kāiga, family who have been identified by the providers in the Collective.

In 2012/13 we have focused on developing a baseline for our Whānau Ora approach to help track results and identify outcomes for Pacific families. We have found that it is difficult to measure outcomes in family situations that are often complex and require multiple agency responses. The baseline data collected in 2012/13 tells us that the average family size of our Whānau Ora families was seven members. Of the kopu tangata, vuvale, magafaoa, āiga, fāмили, kāiga, families who were engaged in a Whānau Ora approach, the majority of families had at least one unemployed person in the household, and the benefit is the main source of income for nearly half of the families. Around half of the families have strong cultural ties and support structures in place, and half reported that they regularly attended church. We also found that housing needs and serious debt were recurrent problems, and that the majority of the families engaged in our Whānau Ora approach had basic needs which required immediate support from a Whānau Ora navigator. One third of the families had at least one person smoking in the home.

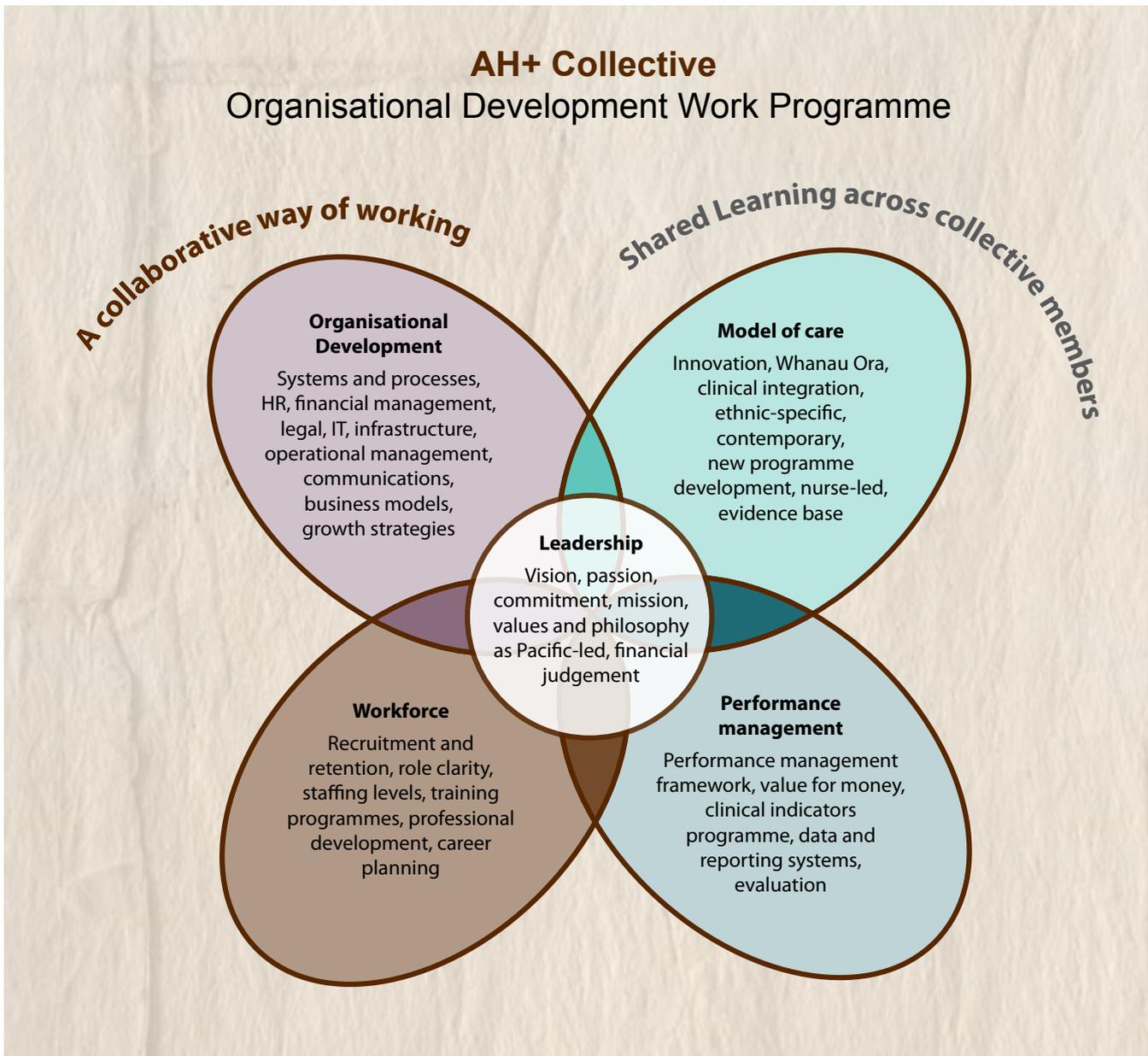


Pacific-led organisations

During 2012/13, AH+ worked with the Ministry of Health and six Pacific primary health care providers to develop and implement a new way of applying Pacific provider and workforce development funding that was based on the development of a diagnostic tool used to inform the development of individual provider development plans

and a joint purchasing work programme. Pacific-led primary care providers are performing extremely well and are among top performers in the PHO which demonstrates that Pacific models of care and Whānau Ora approaches to support Pacific peoples work.

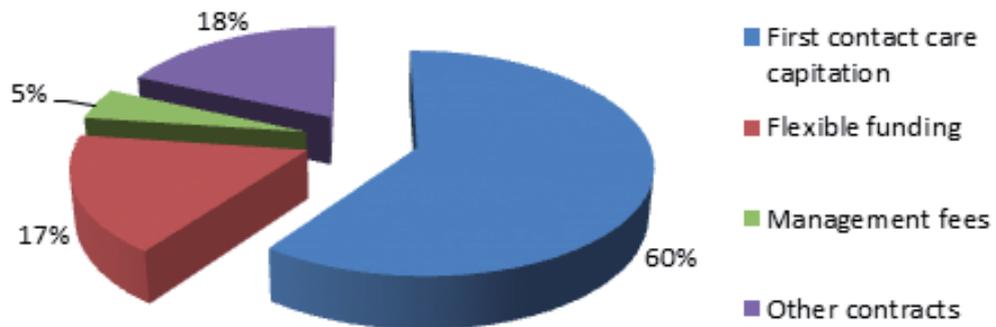
Diagram 3 – Identifies the areas of focus for the AH+ PPDF Collective



Business support services

Income vs Expenditure 2012/13

AH+ income can be broken down into four areas as outlined in the graph below. 60% of income for the 2012/13 financial year was derived from capitation income with other contracts and flexible funding contributing 18% and 17% respectively.

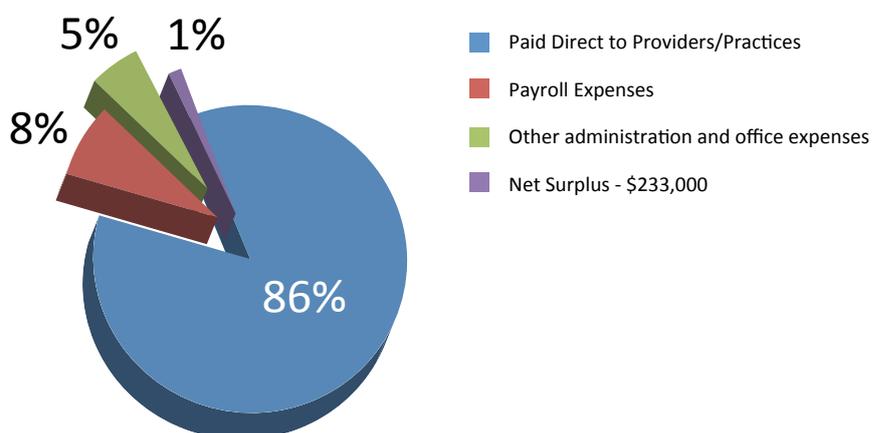


Provider Payments

The financial information below shows that 86% of all funds received by AH+ in the last 12 months were paid directly to providers of services. Payroll and other administration expenses make up 8% and 5% respectively with only 1% of income being surplus to AH+.

	\$	% of Income
Total Income	17,205,000	
Paid Direct to Providers/Practices	14,722,000	86%
Payroll Expenses	1,343,000	8%
Other administration and office expenses	907,000	5%
Net Surplus	233,000	1%

Percentage of Income





Financial Statements

for the Year Ended 30 June 2013



Statement of Financial Performance for the Year Ended 30 June 2013

	Notes	2013 \$	2012 \$
Operating revenue	1	17,158,560	19,284,984
Cost of goods sold	2	15,949,473	17,741,672
Total gross surplus		1,209,087	1,543,312
Expenses			
Operating	3	836,988	766,629
Administration	4	161,639	260,367
Depreciation	5	24,236	30,949
		1,022,863	1,057,945
Net operating surplus		186,224	485,367
Other income	6	46,811	24,906
Net surplus for the year		233,035	510,273

These financial statements should be read in conjunction with the notes to the financial statements and the attached Audit Report.

Statement of Movements in Equity for the Year Ended 30 June 2013

	2013 \$	2012 \$
Equity at the beginning of the year	552,434	42,161
Net surplus for the year	233,035	510,273
Total recognised revenue and expenses	785,469	552,434
Equity at the end of the year	785,469	552,434

These financial statements should be read in conjunction with the notes to the financial statements and the attached Audit Report.

Statement of Financial Position at 30 June 2013

	Notes	2013	2012
Equity		785,469	552,434
Current assets			
Cash balances	7	1,469,887	881,579
Accounts receivable		1,633,573	999,262
Other receivables		1,300	3,558
Total current assets		3,104,760	1,884,399
Non-current assets			
Property, plant and equipment	8	51,731	65,781
Total non-current assets		51,731	65,781
Total assets		3,156,491	1,950,180
Current liabilities			
GST due for payment		194,413	70,850
Accounts payable		423,092	414,897
Other payables		243,240	283,686
Income in advance	9	1,510,277	628,313
Total current liabilities		2,371,022	1,397,746
Total liabilities		2,371,022	1,397,746
Net assets		785,469	552,434

For and on behalf of the Board of Trustees

Trustee:



Trustee:



19 September 2013

These financial statements should be read in conjunction with the notes to the financial statements and the attached Audit Report.



Statement of Accounting Policies for the Year Ended 30 June 2013

BASIS OF PREPARATION

These financial statements are for Alliance Health Plus Trust. Alliance Health Plus Trust is engaged in the business of Healthcare Services. Alliance Health Plus Trust is domiciled in New Zealand and is registered with the Charities Commission.

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand. They comply with approved Financial Reporting Standards (FRSs) and Statements of Standard Accounting Practice (SSAPs) as appropriate for entities that qualify for and apply differential reporting concessions.

The financial statements have been prepared on the basis of historical cost.

DIFFERENTIAL REPORTING

In terms of the framework for differential reporting an entity is exempt from certain financial reporting standards if it satisfies the criteria laid down in the framework: such an entity is called a qualifying entity. The Trust is an entity qualifying for differential reporting exemptions as it has no public accountability and is not large in terms of the criteria set out in the Differential Framework.

All available differential reporting exemptions allowed under the framework for differential reporting have been adopted.

CHANGES IN ACCOUNTING POLICIES

There are no changes in accounting policies for the year ended 30 June 2013.

GOODS AND SERVICE TAX

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

INCOME TAX

The Trust is wholly exempt from NZ Income Tax, due to its charitable organisation exempt status being registered with the Charities Commission.

Statement of Accounting Policies for the Year Ended 30 June 2013

PROPERTY, PLANT AND EQUIPMENT

The entity has the following classes of property, plant and equipment:

Computer hardware and software	50%	DV
Furniture and fittings	10-16%	DV
Office equipment	13-40%	DV
Plant and equipment	25%	DV

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where an item of property, plant or equipment is disposed of, the gain or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying amount of the asset.

REVENUE

Revenue is recognised in the statement of financial performance in the period that the service is delivered. Any unspent portion of contracts that are yet to be fulfilled at balance date are carried forward in the statement of financial position as income in advance (note 10).

For contracts in progress at year end but not fully delivered revenue is recognised by reference to the stage of completion of the transaction at the end of the reporting period.

RECEIVABLES

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

GOING CONCERN

Alliance Health Plus Trust is reliant on continued funding from the government. It is the belief of the Trustees that funding contracts will be able to be successfully renegotiated with the appropriate funding body.

OPERATING LEASE COMMITMENTS

Payments made under operating leases are recognised in the statement of financial performance on a straight line basis over the term of the lease.

CONTINGENCIES

At balance date there are no known contingent liabilities.

CAPITAL COMMITMENTS

At balance date there are no known capital commitments.

SUBSEQUENT EVENTS

There are no known subsequent events.

Statement of Accounting Policies for the Year Ended 30 June 2013

RELATED PARTIES

The following related parties are disclosed:

Siro Fuatai – Chairman of Alliance Health Plus Trust and General Manager of Bader Drive Healthcare Ltd, a medical practice registered with Alliance Health Plus Trust. The medical practice is paid fees and all transactions are entered into on an arms length basis.

Malakai Ofanoa – Trustee of Alliance Health Plus Trust and Chairman of the Tongan Health Society Incorporated, a medical practice registered with Alliance Health Plus Trust. The medical practice is paid fees and all transactions are entered into on an arms length basis.

Teuila Percival – Trustee of Alliance Health Plus Trust and Trustee of South Seas Health Care Trust, a medical practice registered with Alliance Health Plus Trust. The medical practice is paid fees and all transactions are entered into on an arms length basis.

Ulu Aiono – Trustee of Alliance Health Plus Trust and former Chairman of Cloud Region Ltd, a company employed to carry out consultancy services for Alliance Health Plus Trust.

Notes to the Financial Statements for the Year Ended 30 June 2013

1. Operating revenue

	2013	2012
	\$	\$
First contact care capitation	10,299,503	11,874,700
Flexible funding	2,941,477	3,487,901
Management fees	784,006	1,022,693
Other contracts	3,133,574	2,899,690
Total operating income	17,158,560	19,284,984

2. Cost of goods sold

	2013	2012
	\$	\$
First contact care capitation	10,299,620	11,874,861
Flexible funding costs	2,941,477	3,330,860
Other contract costs	2,708,376	2,535,951
Total cost of goods sold	15,949,473	17,741,672

Notes to the Financial Statements for the Year Ended 30 June 2013

3. Operating expenses	2013	2012
	\$	\$
Wage and staff expenses	694,487	576,914
Other operating expenses	88,040	93,353
Computer expenses	54,461	96,362
Total operating expenses	836,988	766,629

4. Administration expenses	2013	2012
	\$	\$
Audit fees	8,500	8,000
Donations and Koha contribution	1,652	4,325
Legal expenses	3,100	58,442
Rents and rates	82,688	82,689
Trustee fees	14,125	28,410
Other administration expenses	51,574	78,501
Total administration expenses	161,639	260,367

5. Depreciation	Note	2013	2012
		\$	\$
Depreciation expenses	8	24,236	30,949
Total depreciation		24,236	30,949

6. Other income	2013	2012
	\$	\$
Other income	330	-
Interest income	46,481	24,906
Total other income	46,811	24,906

7. Cash balances	2013	2012
	\$	\$
Bank – cheque account	16,307	172,239
Bank – savings account	1,453,380	709,140
Petty cash	200	200
Total cash balances	1,469,887	881,579

8. Property, plant and equipment

Notes to the Financial Statements for the Year Ended 30 June 2013

	2013			
	Cost	Depn charge	Accum Depn	Carrying value
Computer equipment	70,822	16,666	51,138	19,684
Furniture and fittings	21,948	2,289	6,298	15,650
Office equipment	27,249	4,368	13,721	13,528
Plant and equipment	5,169	913	2,300	2,869
	125,188	24,236	73,457	51,731

	2012			
	Cost	Depn charge	Accum Depn	Carrying value
Computer equipment	63,139	21,614	34,472	28,667
Furniture and fittings	19,944	2,476	4,009	15,935
Office equipment	27,249	5,764	9,353	17,896
Plant and equipment	4,670	1,095	1,387	3,283
	115,002	30,949	49,221	65,781

9. Income in advance

	2013	2012
	\$	\$
Current	1,510,277	628,313
Non-current	-	-
	1,510,277	628,313

Income in advance relates to contract income which has been invoiced at balance date, but where costs have not yet been incurred.

All income in advance is current and will be recognised in the statement of financial performance within the next 12 months.

10. Operating lease commitments

Lease commitments under non-cancellable operating leases are as follows:

	2013	2012
	\$	\$
Current portion	15,974	15,974
Non-current portion	7,812	23,786
	23,786	39,760

Trust Directory for the year ended 30 June 2013

Nature of Business	Healthcare Services
Trustees	Dr Siro Fuata'i (chairman) Mr Ulu Aiono (vice chairman) Mr Leo Foliaki Dr Malakai 'Ofanoa Dr Teuila Percival Mrs Sandra Alofivae (resigned November 2012) Mrs Nuku Rapana (resigned February 2013) Mr Mark Eustace (appointed August 2013)
Address	15b Vestey Drive Mt Wellington AUCKLAND
Bankers	ASB Bank Ltd
Lawyers	Vinci Law
Auditors	Stowers Audit Chartered Accountants
Charities Commission	Registration Number: CC45012
Registration Date	24 August 2010
IRD Number	104-963-822



INDEPENDENT AUDITOR'S REPORT

To the members of Alliance Health Plus Trust

Report on the Financial Statements

We have audited the financial statements of Alliance Health Plus Trust on pages 4 to 12, which comprise the Statement of Financial Performance, Statement of Movements in Equity for the year ended 30 June 2013, and the Statement of Financial Position as at 30 June 2013, and the notes to the financial statements that include a summary of significant accounting policies and other explanatory information for the Trust.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for the preparation of these financial statements in accordance with generally accepted accounting practice in New Zealand and that give a true and fair view of the matters to which they relate and for such internal control as the Trustees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (New Zealand). These standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider the internal control relevant to the Trust's preparation of financial statements that give a true and fair view of the matters to which they relate, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other than in our capacity as auditor, we do not provide any other services and we have no relationship with, or interests in, Alliance Health Plus Trust.



Opinion

In our opinion, the financial statements on pages 4 to 12,

- (i) comply with generally accepted accounting practice in New Zealand; and
- (ii) give a true and fair view of the financial position of the Trust as at 30 June 2013, and their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

We also report in accordance with relation to our audit of the financial statements for the year ended 30 June 2013:

- (i) We have obtained all the information and explanations that we have required; and
- (ii) In our opinion, proper accounting records have been kept by the Trust as far as appears from an examination of those records.

Restriction on Distribution or Use

This report is made solely to the Board of Trustees, as a body. Our audit work has been undertaken so that we might state to the Trustees those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees, as a body, for our audit work, for this report or for the opinions we have formed.



STOWERS AUDIT
CHARTERED ACCOUNTANTS
Auckland, New Zealand

19 September 2013



**ALLIANCE
HEALTH+**

Phone: 09 588-4260 | Facsimile: 09 588-4270

15B Level 1 Vestey Drive, Mt Wellington, Auckland

PO Box 132366, Sylvia Park | Auckland 1644 | New Zealand

www.alliancehealth.org.nz