

## Health sector must protect the vulnerable, says PHA

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### For immediate release

The Public Health Association says the health sector must not rob mental health and public health services to pay for hospital debt.

Health funding for services such as mental health and public health has until now been “ring-fenced” meaning District Health Boards (DHBs) could not divert it away into other areas. But it seems that some DHBs are now dipping into these funds if they are under significant financial pressure.

This morning Peter McGeorge of the Mental Health Commission told Radio New Zealand he had anecdotal evidence DHBs are now doing this, and that a number of important community-based mental health providers have had to close due to lack of funding.

PHA National Executive Officer Gay Keating says she also has anecdotal evidence that at least some DHBs are diverting funds away from essential prevention services. She says she has recently heard of some DHBs are depriving public health units of negotiated salary increases, effectively imposing staff cuts. Instead the extra money is being used to improve DHB financial performance .

“The inevitable result is a reduction in front line prevention services. Many DHBs are feeling the squeeze and are short-sightedly diverting funds that will reduce illness and waiting lists.

“The social and personal costs of this will be high as many people become unnecessarily ill. It’s so similar to the situation for mental health – effective community services can get in early and prevent severe illness that later needs to be treated in hospital which costs much more.”

Dr Keating says she understands DHBs are the “meat in the sandwich” as they struggle with increasing demands for services while having to meet annual budgets. But diverting dollars from community services is false economy in the long run.

“The day-to-day financial pressure on hospitals is, and always has been, huge. That’s why successive governments have always had ways to protect mental health and public health services. Failure to maintain a “ring-fence” around funding for public health services and mental health services may show a short term financial gain, but it is actually a giant leap backwards in long-term hospital waiting lists and the wellbeing of communities.”

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Further information:

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