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MEDIA RELEASE – FOR IMMEDIATE USE

## **Delay of lab test evaluation may be deliberate: HFANZ**

South Island District Health Boards are to decide the fate of controversial laboratory test funding proposals without being allowed to see an evaluation of trials conducted in Wellington last year.

Health Funds Association of New Zealand (HFANZ) executive director Roger Styles said today the evaluation of the Wellington lab test charges was expected in February, but the Ministry of Health has now advised it may not be ready until April “at the earliest”.

Mr Styles believes this delay may be deliberate.

“I think there is a good chance the report is being deliberately held over because it shows the imposition of the patient charges for lab tests in Wellington has been a shambles,” he said.

“Our evidence is that patients are being deterred from accessing treatment because of the new charges. Some cardiac patients are paying over \$1600 for lab tests. High charges are also a common feature for testing associated with breast cancer and fertility treatments,” Mr Styles said.

The Otago, Southland, West Coast, Canterbury and South Canterbury DHBs are considering withdrawing their funding of laboratory tests referred by specialists operating in their private capacity. They estimate a collective saving of \$3 million a year to their budgets, but HFANZ said in its submission on the plan that for every dollar saved by the boards, \$2 to \$3 would be imposed directly on patients.

Last year, HFANZ blamed the lab test charges for causing a “spike” in health inflation in Wellington of three times the national average. Analysis showed 3 percent inflation in health costs in Wellington in the six months to March 2007, compared with 1 percent in other regions.

“Some patients have avoided the charge by referring testing through GPs, and overall revenues are down on estimates. Whether patients can avoid the charge seems a lottery. It’s really a bit of a shambles,” Mr Styles said today.

He said there was no excuse for the delay in the Wellington evaluation.

“The charges have been imposed since November 2006, giving more than 12 months of data and several months to compile a report.”

The unwillingness to publicise the Wellington evaluation was likely to make some South Island DHB members “more than a little uneasy about adopting the policy”, he said.

“With overwhelming opposition to the proposals already, the deferral of the Wellington evaluation could leave the South Island proposal dead in the water,” Mr Styles said.

The five South Island DHBs are expected to consider the plan at meetings over the next month.

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NB: HFANZ’s submission on the South Island proposal is available at <http://www.healthfunds.org.nz/Documentsandpdfs/Submission%20on%20proposal%20to%20withdraw%20DHB%20funding%20for%20privately%20referred%20laboratory%20testing.pdf>

For further information please contact:

Executive director Roger Styles ph 04 499 0834 or 027 480 0072

Media advisor Andrea McKay ph 027 555 7783.