

# **Pae Ora (Healthy Futures) Bill**

Government Bill

As reported from the Pae Ora Legislation Committee

## **Commentary**

### **Recommendation**

The Pae Ora Legislation Committee has examined the Pae Ora (Healthy Futures) Bill and recommends by majority that it be passed. We recommend all amendments by majority.

### **About the bill as introduced**

The Pae Ora (Healthy Futures) Bill seeks to address inequities and variation within the publicly-funded health system by reforming its structure. The bill would entirely repeal and replace the New Zealand Public Health and Disability Act 2000 and provide for a new structure and accountability arrangements.

The purpose of the reforms would be to:

- protect, promote, and improve the health of all New Zealanders
- achieve equity by reducing health disparities among New Zealand's population groups, particularly for Māori
- build towards pae ora (healthy futures) for all New Zealanders.

### **Proposed new structure of the health system**

The bill would disestablish district health boards (DHBs) and the Health Promotion Agency (HPA). Their assets, liabilities, contracts, and employees would transfer to a new health entity, Health New Zealand (HNZ).

The bill would establish HNZ as a Crown agent. It would lead the operation of the health system, and plan, commission, and deliver health services. HNZ would establish localities (geographically defined areas) to plan and commission primary and community health services and engage with communities.

HNZ would also work with another new entity, the Māori Health Authority (MHA). The MHA would be established as an independent statutory entity to improve hauora Māori. It would co-commission and plan services with HNZ, commission kaupapa Māori services, and monitor the performance of the health system for Māori. The MHA would work with the Ministry of Health to prepare national strategies and provide advice to the Minister of Health.

At present, iwi-Māori partnership boards (IMPBs) work with DHBs. However, they have no formal role. The bill provides for IMPBs and sets out the criteria and process to formally recognise them. Their purpose would be to represent local Māori perspectives on the needs and aspirations of Māori, on how the health system was performing against those aspirations, and on the design and delivery of health services within a locality.

The Ministry of Health would continue to oversee the health system and would focus on strategy, policy, regulation, and monitoring. The bill would establish a new Public Health Agency as a business unit within the ministry. The agency would provide system leadership for public health and advise the Director-General about public health matters.

### **Legislative scrutiny**

As part of our consideration of the bill, we have examined its consistency with principles of legislative quality. We have no issues regarding the legislation's design to bring to the attention of the House.

### **Proposed amendments**

This commentary covers the main amendments we recommend to the bill as introduced. We do not discuss minor, technical, or consequential amendments to other legislation.

### **Purpose of the bill**

Clause 3 states the purpose of the bill. Clause 3(b) provides that one purpose would be to provide for the public funding and provision of services to achieve equity by reducing health disparities among New Zealand's populations, in particular for Māori. We consider that this provision could be framed more positively. We recommend amending clause 3(b) to provide that the purpose would be achieved by striving to eliminate health disparities.

### **Definition of certain terms**

We recommend an amendment to clause 4, which defines the terms used in the bill.

Although clause 4 provides a definition of "health system", the bill uses the term in several ways. For clarity, we recommend deleting the definition of "health system", and replacing references to "health system" with "health sector" and, where appropriate, "publicly funded health sector".

## **Giving effect to the principles of te Tiriti o Waitangi**

Clause 6 sets out the range of specific provisions in the bill that provide for the Crown's intention to give effect to te Tiriti o Waitangi. We believe this clause, as introduced, does not capture all of the relevant provisions that reflect this intention. For clarity, we recommend several amendments to this clause.

Clause 6(d) references provisions to give recognition to IMPBs to enable Māori to participate in and contribute to decision making about local health priorities. We have proposed amendments to subpart 6 of Part 3 to specify the functions of IMPBs; they are discussed later in our commentary. We recommend amending clause 6(d) to better reflect the specific functions proposed in our new clause 87A.

Clause 21 would require the MHA to support and engage with IMPBs. We recommend inserting clause 6(h)(ii) to reflect this provision.

Clause 6(g) references provisions that would require the boards of HNZ and the MHA to have knowledge of, and experience and expertise in relation to, giving effect to te Tiriti and tikanga Māori. We recommend amending this clause to more accurately reflect clauses 12(3), 16(1)(d), and 22(2). Those clauses relate to the composition of the boards of HNZ and the MHA and the collective duties of the board of HNZ.

As introduced, clause 32(1) provides that the Government Policy Statement on Health (GPS) would need to include the Government's priorities in relation to Māori. Clause 41(1)(a) specifies that the Minister, when preparing a health strategy, would need to have regard to any advice from the MHA. We recommend inserting clause 6(da) to reflect these requirements in clauses 32 and 41.

## **Health system principles**

Clause 7, as introduced, sets out the health system principles for the purpose of the bill.

### **Providing a choice of quality services**

Clause 7(1)(d) specifies that the health system should provide a choice of quality services to Māori and other population groups. We recommend amending this clause to provide that the health system should also:

- resource services that meet the needs and aspirations of iwi, hapū, whānau, and Māori
- develop and maintain health workforces that are representative of the community they serve
- be informed by lived experience (for the purpose of improving services, access to services, and health outcomes).

Clause 7(1)(d)(iv) provides that services should be tailored to a person's circumstances and preferences. We recommend amending this clause to make it clear that the tailoring should be to a person's physical and mental needs and circumstances.

**Protecting and promoting people's health and wellbeing**

Clause 7(1)(e) states that the health system should protect and promote people's health and wellbeing. We note that the wider determinants of health cover a range of areas, including housing, transport, and climate change. To improve health and health equity by addressing the wider determinants of health, we believe the health system should be required to collaborate with other agencies and organisations. We recommend inserting clause 7(1)(e)(v) to this effect.

We note that environmental legislation, like the Climate Change Response Act 2002, is the Government's primary mechanism for sustainability matters. Although health agencies are subject to the requirements of that Act, we believe it would be useful for the health system principles to reflect the aims behind those requirements. Therefore, we recommend adding clause 7(1)(e)(v) to provide that the health system should undertake promotional and preventative measures to address wider determinants, including climate change, that adversely affect people's health.

**Other individuals and organisations that the principles should apply to**

Clause 7(2) provides that a health entity would need to be guided by the health system principles when performing its functions under the legislation. This would need to be as far as reasonably practicable, having regard to all the circumstances, and to the extent applicable to the health entity and its functions.

We acknowledge that elements of the bill would already require the Minister of Health to be guided by the principles when exercising their powers under the legislation. We also recognise that, in practice, a Minister would be likely to consider the principles when exercising their powers under the legislation because they reflect the purpose of the bill. However, we consider that this requirement should be explicit. We therefore recommend amending clause 7(2) to require the Minister of Health and the ministry, as well as a health entity, to be guided by the health system principles.

Under clause 7(4), the health system principles in subsection (1)(b) and (c) would not apply to Pharmac and the performance of its functions. Clause 7(1)(b) provides that the health system should engage with Māori, other population groups, and other people to develop and deliver services and programmes that reflect their needs and aspirations. Clause 7(1)(c) specifies that the health system should provide opportunities for Māori to exercise decision-making on matters of importance to Māori. This should take into account the strength or nature of Māori interests in a matter and the interests of other health consumers and the Crown.

We consider that Pharmac should not be exempt from these two provisions, and recommend deleting clause 7(4). We understand that these principles would not interfere with Pharmac's decision-making. Further, the principles reflect Pharmac's intended practice on engagement.

## Health New Zealand

### Objectives of Health New Zealand

Clause 13(c) specifies that an objective of HNZ would be to promote health and prevent, reduce, and delay ill-health, including by collaborating with other social sector agencies to address the determinants of health. We were advised that the intent of the bill is for health entities to collaborate to improve health outcomes, including with local government and private organisations. We consider that the term “social sector agencies” is therefore too narrow. We recommend amending clause 13(c) by replacing the reference to “social sector agencies” with “agencies, individuals, and organisations”.

### Functions of Health New Zealand

Clause 14 sets out the functions of HNZ. We recommend amending clause 14 to include two new functions.

We recommend providing HNZ with an explicit role for workforce development. Our proposed amendment would enable HNZ to undertake health workforce planning and evaluation, and to collaborate with relevant entities to improve the capability and capacity of the health workforce. This would not replace the Ministry of Health’s national strategic role.

We also recommend including a new function setting out HNZ’s role in relation to health research.

Clause 14(1)(h) provides that a function of Health New Zealand would be to improve service delivery and outcomes at all levels within the health system. We recommend amending this clause to make it clear that it would apply to service delivery and outcomes for all people, including Māori. We believe our proposed amendment would prevent perceptions that HNZ would not be responsible for improving service delivery for Māori due to the existence of the MHA.

Clause 14(1)(i) states that a function of HNZ would be to collaborate with other providers of social services to improve health and wellbeing outcomes. We recommend amending this clause by broadening the language to ensure that HNZ would also be enabled to address wider determinants of health.

Clause 14(1)(n) specifies that a function of HNZ would be to provide accessible and understandable information to the public about health system performance. We recommend amending this clause to avoid confusion with the Ministry of Health’s overall system monitoring role. Our proposed amendment would make it clear that the provision relates to information about services funded by HNZ.

### Additional collective duties of Health New Zealand’s board

Under clause 16(1)(d)(ii), the board would need to ensure that HNZ maintained systems and processes to ensure that it had the capacity and capability to understand te Tiriti o Waitangi, mātauranga Māori, and Māori perspectives of services. As introduced, this provision would only apply when HNZ was performing any function in

relation to Māori. We believe that expertise in these perspectives should always be required, regardless of whether a function was performed in relation to Māori. We therefore recommend deleting the words “when performing any function in relation to Māori” from this clause.

## **Māori Health Authority**

### **Establishing the Māori Health Authority**

Clause 17 would establish the MHA as an independent statutory entity. As introduced, we consider that the bill is unclear whether the MHA would be a public entity for the purposes of the Public Audit Act 2001 and within the mandate of the Controller and Auditor-General. We received advice that the MHA is intended to be within the Controller and Auditor-General’s mandate. Accordingly, we recommend a consequential amendment, which would add the MHA to Schedule 2 of the Public Audit Act.

### **Objectives of the Māori Health Authority**

Clause 18 sets out the objectives of the MHA. Under clause 18(b), an objective would be to design and arrange services to achieve the purpose of the legislation according to the health system principles and the best possible health outcomes for whānau, hapū, and Māori in general.

We recommend that, as well as designing and arranging services, an objective of the MHA should also be to deliver services. We recommend amending clause 18(b) to this effect.

Clause 18(c) specifies that an objective of the MHA would be to promote Māori health and prevent, reduce, and delay the onset of ill-health for Māori. This includes by collaborating with other social sector agencies to address the determinants of Māori health. We consider that the term “social sector agencies” is too narrow and that the MHA should work with any agency, organisation, and individual to improve health outcomes. We recommend amending clause 18(b) to reflect this.

### **Functions of the Māori Health Authority**

Clause 19 sets out the functions of the MHA. We note that, for HNZ, clause 14(1)(o) provides that a function of HNZ would be to provide, or arrange for the provision of, services on behalf of the Crown or any Crown entity within the meaning of the Crown Entities Act 2004. We consider that this provision should be replicated for the MHA, and recommend amending clause 19 accordingly.

We also recommend amending the bill to include several additional functions for the MHA, in line with the functions of HNZ. They would be to:

- undertake and promote public health initiatives, including commissioning services to deliver public health programmes on its own initiative or in collaboration with the Public Health Agency
- undertake and support research

- evaluate the delivery and performance of services provided or funded by the MHA.

Under clause 19(1)(d), a function of the MHA would be to collaborate with other providers of social services to improve health and wellbeing outcomes for Māori. We recommend broadening the language in this clause to ensure that the MHA had a mandate to address the wider determinants of health.

Clause 19 provides two monitoring functions for the MHA. They would be to monitor the delivery of hauora Māori services by HNZ and the performance of the health system in relation to hauora Māori.<sup>1</sup> We recommend amending clause 19(1)(k), which would require the MHA to report on the results of this monitoring.

Clause 19(1)(n) states that a function of the MHA would be to design and deliver programmes to improve the capability and capacity of Māori health providers and the Māori health workforce. We have proposed an amendment to clause 14, which would create a new workforce development function for HNZ. Consequentially, we recommend amending clause 19(1)(n) to align with our proposed amendment to clause 14.

We recommend deleting clause 19(3), which specifies that the MHA would have all the powers necessary to perform its functions. We note that this clause replicates provisions in the Crown Entities Act and is not required.

We recommend reordering the MHA's functions in clause 19 to better align with the list of functions for HNZ. We consider that our proposed amendment would better reflect the partnership relationship between the two entities.

## **Resolving disputes between Health New Zealand and the Māori Health Authority**

Clause 28 sets out the process for resolving disputes between HNZ and the MHA. Under clause 28(1), the process would apply if HNZ and the MHA disagreed on a matter that they were required to work together on, jointly develop, or agree. If their chief executives were unable to resolve the dispute between themselves, they would need to refer the dispute to the Minister.

We consider that, as introduced, clause 28(1) might not capture the range of situations where HNZ and the MHA would be expected to collaborate. This is because the bill sets out the roles and functions of each entity at a high level, but does not attempt to prescribe all the situations where collaboration would be required. We believe this reference to a strict "requirement" could mean that HNZ or the MHA would not be able to access dispute resolution on significant operational decisions that affected both, such as developing commissioning frameworks. We therefore recommend amending clause 28(1) to make dispute resolution available in situations where HNZ and the MHA would be expected to work together under the bill.

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<sup>1</sup> The monitoring of the health system for hauora Māori would be in cooperation with the Ministry of Health and Te Puni Kōkiri.

Clause 28(3) provides that the Minister could determine the dispute or a process to resolve the dispute and could require any party to provide information to the Minister for that purpose. We recommend inserting clause 28(3A) to require the Minister to also consult the Minister for Māori Development or the Minister for Māori–Crown Relations—Te Arawhiti. We consider that our proposed amendment would better reflect a partnership approach between the Crown and Māori and help ensure that a Māori perspective is included in the final decision.

### **Strategic, accountability, and monitoring documents**

Subpart 5 of Part 2 would require the following health documents to be made for the health system:

- the Government Policy Statement on Health (GPS)
- the New Zealand Health Strategy, Hauora Māori Strategy, Pacific Health Strategy, and the Disability Health Strategy
- the New Zealand Health Plan
- the New Zealand Health Charter
- the Code of Consumer Participation
- locality plans.

### **Government Policy Statement on Health**

Clause 30 would require the Minister to issue a GPS at intervals of no more than 3 years. The purpose of the GPS would be to set priorities for the health system, and clear parameters for developing the New Zealand Health Plan.

We consider that swapping the provisions for the GPS and the national health strategies would better reflect the cascade from strategies to more specific priorities. We recommend amending the bill accordingly.

Clause 32 as introduced sets out the required contents of the GPS. Although we would expect priorities in the GPS to be defined by specific outcome metrics, we agree that the bill should state these expectations more explicitly. We recommend inserting clause 43A(2A), which would require priorities in the GPS to be expressed in terms of measurable outcomes, including culturally specific outcome measures. We are also proposing a similar amendment to the New Zealand Health Plan, which we discuss later in our commentary.

### **National health strategies**

Clauses 37 to 43 specify the strategies that the Minister would need to prepare and determine. They are a New Zealand Health Strategy, a Hauora Māori Strategy, a Pacific Health Strategy, and a Disability Health Strategy.

A number of submitters proposed the addition of requirements for health strategies that focused on particular populations, services, or conditions. Their suggestions included strategies for Asian people, children and infants, digital infrastructure, medi-



cines, mental health and substance abuse, the rainbow community, refugee communities, rare diseases, rural communities, women, and workforce.

We spent some time discussing whether consideration had been given to specifying other strategies in the legislation. They included strategies for the rainbow community, rural communities, and mental health and wellbeing. We were particularly interested in the rationale for not including other strategies.

We were advised that specifying further strategies based on particular population groups or conditions could result in certain populations having too much or too little focus on them. It could also result in a lack of flexibility in the system and an overemphasis on producing strategic plans rather than on innovative service design and provision. Also, the list of strategies required in subpart 5 is not intended to be exhaustive and nothing would prevent the Minister, HNZ, or the MHA from developing strategies for specific issues. While entities would not have the same statutory obligation to have regard to such strategies, they could be reflected in the planning processes, such as the GPS, as appropriate.

The majority of us consider that the bill, as introduced, contains a range of provisions that could address submitters' concerns about the current health system not responding to their needs:

- Locality planning would require community engagement to address the specific needs of the locality population and provide assurance that specific needs would be taken into account.
- The GPS would set priorities and objectives for the health system and requirements for the New Zealand Health Plan. It would need to contain the Government's priorities for improving health outcomes for Māori, Pacific people, disabled people, rural communities, and other populations.
- The New Zealand Health Plan would contain an assessment of the needs of different population groups. It would also provide an opportunity for a focus on priority populations or conditions.

We do, however, recommend amending the bill to also include a Women's Health Strategy as new clause 40A. The provisions for our proposed amendment would be similar to those in the existing strategies in the bill.

### **Hauora Māori Strategy**

Clause 38 would require the Minister to prepare and determine a Hauora Māori Strategy. Its purpose would be to provide a framework to guide the health system in improving Māori health outcomes.

A number of submitters expressed concern about the Minister preparing or approving the strategy. They suggested that the strategy be prepared in partnership with the MHA, or that the MHA draft and approve it.

We were advised that the Ministry of Health usually prepares strategies that the Minister of Health is responsible for, in accordance with its role as the Minister's agent. The MHA's role in the process would be provided for by clause 19(1)(h) of the bill.

That clause provides that a function of the MHA would be to provide policy and strategy advice to the Minister about matters relevant to hauora Māori. We agree, however, that the MHA has a particular interest in the Hauora Māori Strategy and its views should be given particular regard. We recommend amending clause 38 to specify that the Hauora Māori Strategy would be prepared by the MHA and ministry in partnership.

### **Disability Health Strategy**

Clause 40 would require the Minister to prepare and determine a Disability Health Strategy. Clause 40(2) states that its purpose would be to provide a framework to guide the health system in improving health outcomes for disabled people. To make the intent of the strategy clearer, we propose renaming the strategy the “Health of Disabled People Strategy” and recommend amending clause 40 to this effect.

Under clause 40(3)(a), the strategy would need to contain an assessment of the current state of health outcomes for disabled people and the performance of the health system in relation to disabled people.

We recommend amending clauses 40(2) and 40(3)(a) by inserting the words “family and whānau” after the references to “disabled people”. This is because the nature of disability often involves significant caregiving by family, which has its own health consequences.

### **Process for making health strategies**

Clause 41 specifies the process for making health strategies. When preparing a health strategy, clause 41(1)(b) would require the Minister to consult health entities or groups that the Minister considered would be reasonably likely to be affected by the strategy.

We consider that this clause, as introduced, could create confusion because health-related entities are not included within the definition of health entity in the legislation. Also, it is inconsistent with the approach taken in clause 47. That clause, which relates to the engagement process when preparing the New Zealand Health Plan, separates health entities from individuals and other organisations.

Therefore, we recommend amending clause 41 by creating separate obligations to consult. The Minister would need to consult health entities, as well as individuals and organisations that the Minister considered would be reasonably likely to be affected.

We understand that no hierarchy or specific relationships between the strategies is intended. Further, we believe caution is needed to ensure that updated strategies can explore new ideas and priorities as evidence and need evolves. However, we agree that it would be beneficial for the bill to provide for a level of consistency between strategies. Consequently, we recommend inserting clause 41(1)(aa), which would require the Minister to consider consistency with existing health strategies when making new ones.

### **New Zealand Health Plan**

Clause 44 would require HNZ and the MHA to jointly develop a New Zealand Health Plan. Its purpose would be to provide a 3-year costed plan for delivering publicly-funded services by HNZ and the MHA.

When developing the plan, clause 44(4)(a) provides that HNZ and the MHA would need to take into account the functions and services of other health entities and government agencies that contribute to improving health outcomes.

We understand that it was intended that the functions and services of non-government organisations that contribute to health outcomes should also be taken into account. We recommend amending clause 44 accordingly.

Clause 49 would require HNZ to develop a locality plan for each locality, which would need to give effect to the New Zealand Health Plan. We believe it would be useful for the views expressed in the locality planning process and subsequent versions of the New Zealand Health Plan to be linked. Therefore, we recommend amending clause 44(4) to require the preferences and priorities expressed in locality plans to be taken into account in the New Zealand Health Plan.

#### *Content of the New Zealand Health Plan*

Clause 45 specifies the required content of the New Zealand Health Plan. Under clause 45(e), the plan would need to describe how other government agencies would contribute to achieving the desired improvements. We understand that the plan is intended to take a broad view of health. To meet this intention, we recommend amending clause 45(e) to include non-government agencies, individuals, and organisations.

Clause 45(g)(ii) provides that the plan would need to set out how HNZ and the MHA would engage with Māori and protect Māori interests and aspirations. We consider that this requirement could more explicitly incorporate the concepts of partnership and empowering Māori. We recommend amending this clause to provide that the plan would need to set out how HNZ and the MHA would empower Māori to improve their health.

In our section about the GPS in this commentary, we proposed an amendment that would require priorities to be expressed in terms of measurable outcomes, including culturally specific outcome measures. We recommend a similar requirement for the New Zealand Health Plan and recommend inserting clause 45(1)(ba) to this effect.

#### *Annual performance report on the New Zealand Health Plan*

Under clause 46, HNZ and the MHA would need to jointly prepare an annual performance report against the New Zealand Health Plan. The bill, as introduced, does not specify the content for this report.

We recommend amending clause 46 so that the report would need to include an assessment of the HNZ and MHA against specific outcomes in the New Zealand Health Plan. Within this assessment, we recommend an evaluation of any new inter-

ventions or services for Māori that are provided or funded, and for the evaluation to be conducted in accordance with culturally relevant evaluative methods.

We believe the New Zealand Health Plan and annual performance report should be independently audited before being presented to the Minister. We consider that an audit would be a valuable check and would help to ensure that the plan and report were based on the best possible measures. Accordingly, we recommend inserting clauses 46(1A) and 47(1A) to provide for the Auditor-General to audit the New Zealand Health Plan and the annual performance report.

### **Localities and locality plans**

Clause 48 would require HNZ, with the agreement of the MHA, to determine geographically defined areas, defined as “localities”, for the purpose of arranging services.

We understand that localities will be based on a combination of local, national, and system considerations. We therefore consider that it could be useful to consult local government and iwi-Māori partnership boards (IMPBs). This is because the scale and coverage of localities would significantly influence the representation arrangements for IMPBs. Also, local authorities would have valuable knowledge and unique perspectives on community preferences for service provision, as well as links to community service infrastructure.

Accordingly, we recommend amending clause 48 to enable HNZ and the MHA to determine localities in consultation with relevant local authorities, Māori organisations, and IMPBs. For the purpose of this section, relevant Māori organisations would be defined in a way similar to clause 20, which relates to engaging with and reporting to Māori.

Under clause 48(2)(b), HNZ would need to ensure the boundary of a locality was consistent with any regional arrangement specified in regulations made under section 97. We recommend inserting clause 48(2A) to state that this provision would not apply if HNZ and the MHA were satisfied that there were exceptional circumstances and had consulted relevant local authorities and IMPBs.

Clause 49 would require HNZ to develop a locality plan for each locality. Clause 49(3) sets out who HNZ must consult when developing a locality plan. We recommend amending clause 49(3)(b) to require HNZ to also consult local authorities. This would align with our proposed amendment to clause 48.

Clause 49(3)(c) provides that, when developing a locality plan, HNZ would need to consult the MHA, the relevant IMPB, and any other individual or group that HNZ considered appropriate. To ensure a more collaborative approach, we recommend amending this clause to require that HNZ engage with IMPBs when developing a locality plan.

Clause 49(4)(a) specifies that a locality plan would be made when it was agreed by HNZ and the MHA. Given our proposed amendments to the functions of IMPBs (discussed in more detail at clause 87A), we also believe that they should have to agree to

locality plans before they were made. Accordingly, we recommend amending clause 49(4)(a) to add the relevant IMPB to the organisations that would need to agree on a locality plan.

Clause 49(2) specifies that a locality plan would need to set out the priority outcomes for the locality, state the plan's duration, and give effect to the New Zealand Health Plan. We recommend several amendments to clause 49 to make it clearer to people how the system in their area was performing. We recommend amending clause 49(2) to require each new locality plan to include a statement of progress against priority outcomes in the previous plan. To enhance the local performance information, we recommend amending clause 49 to require locality plans to be reported on annually. Our proposed amendment would require the relevant IMPB to agree on the report.

### **New Zealand Health Charter**

Clause 50 would require the Minister to determine a New Zealand Health Charter. Its purpose would be to provide common values, principles, and behaviours to guide health entities and their workers. Clause 4 of the bill defines "health entity" as HNZ, the Health Quality and Safety Commission (HQSC), the MHA, Pharmac, or the New Zealand Blood and Organ Service (NZBOS).

We received advice that the purpose of the charter would be to support the system-wide achievement of health objectives and the health system principles. It would do this by setting out the common values, principles, and behaviours that people working in the health sector would demonstrate collectively at an organisational and individual level. We recommend amending clause 50(2) to more clearly state this purpose.

Clause 50(3) provides that nothing in this section would affect the role of responsible authorities under the Health Practitioners Competence Assurance Act 2003 in setting and enforcing minimum standards for health practitioners. Some submitters expressed confusion about how the charter would fit with existing professional codes and obligations given the limited reference to them in this clause. For clarity, we recommend amending clause 50(3) to specify that the charter would not affect existing professional codes and obligations.

We consider that, instead of the Minister, the health sector should develop the charter, which would have effect when the Minister endorsed it. We recommend amending clauses 50(1) and 52 to provide that the Minister would endorse the charter.

Clause 52 sets out the process for making the charter. We recommend amending this clause to require HNZ and the MHA to jointly facilitate the development of the charter.

Clause 51 would require health entities to have regard to the charter when planning for and contracting services. They would also need to report annually on how they had given effect to the charter. Given our proposed amendment to clause 52, we believe the requirement in clause 51 should be removed. Instead, it would be replaced with a reporting obligation for HNZ and the MHA to provide a mechanism for reviewing the effectiveness of the charter and its implementation. HNZ and the MHA

would be required to report at least every 5 years on how the health sector had given effect to the charter and whether changes were proposed.

As introduced, the definition of “health entity” means that the Ministry of Health and some other publicly-owned health and disability organisations would not be covered by the charter. We were advised that this was deliberate to avoid placing requirements on private organisations. However, our proposed amendment to a charter developed by the health sector would not place formal obligations on organisations. We therefore consider that coverage under the charter should be extended to organisations and workers involved in delivering publicly-funded healthcare. We recommend amending clauses 50 to 52 to this effect.

### **Code of Consumer Participation**

Clause 53 would require the HQSC to develop a Code of Consumer Participation. The code would need to contain principles for the purpose of supporting consumer participation and enabling the consumer voice to be heard.

We do not believe that the legislation needs to formally title the code. Rather, it simply needs to clearly describe what it is. We recommend amending the bill by replacing the references to “Code of Consumer Participation” with “code of expectations for consumer and whānau engagement in the health system”. In the same vein, we recommend the code therefore states expectations for the purpose of supporting engagement in the health sector as opposed to containing principles.

We consider that entities covered by the code should be required to report annually about how they gave effect to it. We recommend amending clause 53 to provide for this.

## **Ministerial powers**

### **Power to appoint Crown observers**

Clause 55 would enable the Minister to appoint Crown observers. The Minister would need to consider it desirable for the purpose of assisting in improving the performance of HNZ and the MHA.

The Minister could require a Crown observer to attend any board meeting or board committee meeting of the health entity or any executive level meeting of the health entity at a national or regional level. The Crown observer could:

- observe a meeting’s decisions and decision-making processes
- help people in the meeting understand the policies and wishes of the Government so that they could be appropriately reflected in decisions of the meeting
- advise the Minister about any matter relating to the health entity or the board or its performance.

Clause 55(6) would enable a Crown observer to provide any information to the Minister that the Crown observer obtained when performing their functions. Although we consider it unlikely to occur, the bill as introduced would enable a Crown observer to

provide personal information to the Minister when undertaking their functions. Therefore, we recommend amending clause 55 to prohibit personal information obtained by a Crown observer carrying out their functions being provided to the Minister.

### **Power to appoint a Crown manager**

The bill, as introduced, contains no intervention between appointing a Crown observer and replacing the board with a Commissioner. We believe that a Crown manager role would enable strong intervention when needed for certain issues while still leaving the board in place. We recommend inserting clause 56A to empower the Minister to appoint a Crown manager to HNZ. The provisions in our proposed amendment would replicate those in section 334 of the Education and Training Act 2020.<sup>2</sup>

### **Provision of information**

Clause 58 would enable the Minister of Finance to require a health entity to provide certain financial information relating to the entity or any or all of its subsidiaries. Clause 58(3) provides that information that breached a person's privacy would not have to be supplied unless they consented to it.

We believe it is not necessary for personal information to be provided to meet the purposes of this provision. We recommend amending clause 58 by specifying that the supply of personal information prohibited under the Privacy Act 2020 may not be required under this clause.

### **Role of the Health Quality and Safety Commission**

Subpart 3 of Part 3 sets out the role of the HQSC. Clause 73(2) specifies who the HQSC would need to work collaboratively with when performing its functions.

We believe the HQSC should also be required to work collaboratively with national healthcare professional associations. This is because many employees in the health system would not be included in the definition of a health entity as defined by the bill. We also consider that the HQSC should be required to work with HNZ when exercising its functions. We recommend amending clause 73(2) accordingly.

Clause 73(1) sets out the functions of the HQSC. Under clause 73(1), a function would be to advise the Minister on how the quality and safety of services could be improved. We recommend inserting as clause 73(ha) a new function to advise any person about matters related to the scope of the HQSC's functions.

### **Provisions that would apply to certain organisations**

Subpart 4 of Part 3 relates to the provisions that would apply to Pharmac, the New Zealand Blood and Organ Service (NZBOS), and the HQSC.

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<sup>2</sup> That section enables the Minister of Education to appoint a Crown manager for Te Pūkenga—New Zealand Institute of Skills and Technology.

### **Delegations policy**

Clause 78 would require every board of an organisation to have a policy for exercising its powers under section 73 of the Crown Entities Act. The policy would come into force when the Minister approved it and would be subject to any conditions the Minister specified in the approval.

We note that this clause replicates provisions in the New Zealand Public Health and Disability Act, which were in response to concerns about DHBs and any other organisations having inconsistent policies. We consider that the requirement conflicts with the Crown entity model and creates an unnecessary layer of process. Therefore, we recommend deleting clause 78.

### **Employment terms and conditions of a chief executive**

Clause 79 of the bill specifies the process for determining the conditions of employment of a chief executive appointed by Pharmac, the NZBOS, or the HQSC. We recommend deleting this clause, as changes to the Crown Entities Act mean it is adequately provided for under that Act.

### **Applying the Public Records Act**

Clause 80 provides that any organisation (other than the NZBOS) would be a public office for the purposes of the Public Records Act 2005. We were advised that both Archives New Zealand and the NZBOS believe the NZBOS should be a public office and act accordingly. Therefore, we recommend deleting the reference to “(other than NZBOS)” in clause 80.

### **Ministerial committees**

Subpart 5 of Part 3 would empower the Minister to establish any committee that they considered necessary or desirable for any purpose relating to the legislation or its administration. The bill would require the Minister to establish a Hauora Māori advisory committee, a national advisory committee on health service ethics, and an expert advisory committee on public health.

### **Hauora Māori advisory committee**

Clause 84 would require the Minister to establish a Hauora Māori advisory committee. Its functions would be to advise the Minister on the exercise of key accountability functions and intervention powers related to the MHA and to provide any other advice that the Minister requested.

#### *Notifying when the Minister had not followed the advisory committee's advice*

Clause 84 provides that the Minister would need to seek and consider the advisory committee's advice when:

- appointing or removing members of the MHA board
- issuing directions and letters of expectation to the MHA
- requiring the MHA to develop an improvement plan



- amending the MHA's Statement of Intent or Statement of Performance Expectations.

Clause 84 also provides for the advisory committee to advise the Minister if they were considering appointing a Crown observer or Commissioner to the MHA or dismissing the board.

For transparency, we consider that the Minister should be required to clearly state where they did not accept the advisory committee's advice on these matters, and propose new clause 84(5) to provide for this.

Some submitters proposed that the Minister should be required to seek the agreement of the advisory committee before exercising these powers. Others suggested that the powers could be exercised jointly or in partnership, or that the advisory committee's advice should be binding. Given that the Minister is ultimately responsible to Parliament for exercising these powers, we believe the allocation of responsibility is appropriate, provided there is transparency in the relationship between the Minister and the advisory committee.

#### *Appointing members of the Haoura Māori advisory committee*

Under section 82, the Minister would appoint or remove the members of the committee. The Minister could also terminate the committee or the appointment of a member or chairperson of the committee.

Some submitters expressed concern about how representative the advisory committee would be of Māori views because the Minister could appoint and remove its members. They suggested specific requirements for appointments or that Māori should directly appoint the committee instead of the Minister.

We consider that there should be a partnership-based approach to the fundamental accountability settings for the MHA, particularly in terms of how the advisory committee is appointed. We agree that direct appointment by Māori, rather than a Minister of the Crown, would be more appropriate given the advisory committee's purpose. We therefore recommend amending clause 84 to enable a process for IMPBs (iwi-Māori partnership boards) and health-specific Māori organisations to appoint the members of the committee. We recommend inserting clause 84A to provide for the following:

- The committee would consist of a maximum of eight seats. IMPBs would appoint six and appropriate hauora Māori organisations would collectively appoint two.
- IMPBs would have a two-year period to become established (after commencement) before exercising their function to appoint committee members, during which time the Minister would appoint an interim committee to perform the functions of the advisory committee.
- The Minister would appoint members if IMPBs or Māori organisations were unable to reach agreement about any seats.

We recommend a consequential amendment to Schedule 1, enabling the Minister to appoint the interim committee, including a requirement to consult the Minister for Māori Development in this process.

*Organisations that could make appointments to the advisory committee*

The purpose of the two organisational seats is to ensure the advisory committee can represent the perspective of organisations with system-level knowledge about the health needs or aspirations of Māori, and the challenges and opportunities for the Māori health workforce and Māori providers of health services.

We discussed whether the organisations that would collectively make appointments for the two organisational seats could be listed in the bill at enactment or added by Order in Council post-enactment. We received advice that a range of organisations that could be listed in the legislation were considered, including groups with established records of representing hauora Māori perspectives. However, the range of Māori Health organisations, particularly providers, is constantly evolving and the reforms could result in further change. Therefore, it was difficult to give a definitive view on which organisations would add the most value to the appointment process without engaging with them directly.

We considered whether a rapid engagement process could be undertaken to inform a specific list that could be included in the bill and provide certainty at enactment. However, we believe it would be difficult in the time available for the engagement to be genuine and in good faith, and allow time for good quality conversations that are not rushed. It would also be difficult to reach consensus amongst Māori organisations on who to include in the appointment process.

We also discussed a hybrid situation where longstanding groups would be listed in the bill and additional organisations could be added after enactment. Some of us consider that having a blank Schedule at enactment could create a perception that existing organisations are not appreciated. Conversely, others of us believe that having some organisations listed in the bill would create a risk that people feel excluded and the list is perceived as complete.

We recommend that the appointments to the two seats of the Hauora Māori advisory council should be made collectively by hauora Māori organisations named in new Schedule 1A. The schedule would be empty on enactment, but the Governor-General would be empowered to add or remove hauora Māori organisations by Order in Council, on the recommendation of the Minister of Health.

Following enactment, we understand the ministry will conduct a thorough engagement process with prospective organisations and provide advice to the Minister on which organisations should be added to the schedule. Our proposed amendment would require the Minister of Health's recommendation to be made in consultation with the Minister for Māori Development.

### **Consulting the Hauora Māori advisory committee**

Clause 55(1)(b) provides that the Hauora Māori advisory committee would need to agree to appoint a Crown observer to the MHA. Clause 56 would enable the Minister to dismiss the board of HNZ or the MHA or appoint a commissioner. Under clause 56(2)(b), the Hauora Māori advisory committee would need to agree to an appointment replacing the board of the MHA. We have proposed several amendments to the appointment process for the Hauora Māori advisory committee in clause 84 of the bill. These amendments provide for the advisory committee to, in effect, be directly appointed by Māori, providing for a more partnership-based approach. As a result of these amendments, we recommend amending clauses 55(1)(b) and 56(2)(b) so that the MHA would need to be consulted about appointments rather than agreeing them. We consider that this would make it clear that the Minister is ultimately accountable for decisions about using the powers to appoint Crown observers or dismiss a board.

### **Expert advisory committee on public health**

Clause 86 would require the Minister to establish an expert advisory committee on public health. Clause 86(3)(a) provides that the committee would consist of members that the Minister determined.

Some submitters commented on the expertise they believe the members of the expert advisory committee should have. They suggested that the committee should have gender experts, advisors on women's health and wellbeing, Māori public health expertise, a consumer voice, and at least two public health medicine specialists. We agree with submitters' suggestions on how to strengthen the knowledge and expertise of the committee. However, we consider that the requirements should be expressed in terms of collective knowledge, rather than specific individuals needing to have the relevant expertise.

We recommend inserting clause 86(3A) to provide that the committee should consist of such members as the Minister determined, who collectively had knowledge of, and experience and expertise in: population health, health equity, te Tiriti o Waitangi, epidemiology, health intelligence, health surveillance, health promotion, health protection, and preventative health.

Clause 86(2) specifies that the purpose of the committee would be to provide independent advice to the Minister, the Public Health Agency, and HNZ about certain matters related to public health. We recommend amending this clause by adding the MHA to the list of entities that would receive advice from the committee.

We consider that public health is an important element of hauora Māori and Māori input into appointments would be valuable. We recommend amending clause 86 to provide that the Minister would need to consult the Hauora Māori advisory committee before making appointments to the expert advisory committee on public health.

### **Iwi-Māori Partnership Boards**

Subpart 6 of Part 3 would provide for IMPBs and set out the criteria and process for recognising them. We recommend moving the contents of this subpart to follow

clause 27. Our proposed amendment would mean that the main provisions for IMPBs would now be contained in new clauses 27A to 27C.

Clause 87, as introduced, states that the purpose of iwi-Māori partnership boards would be to represent local Māori perspectives on:

- the needs and aspirations of Māori in relation to hauora Māori outcomes;
- how the system is performing in relation to those needs and aspirations; and
- the design and delivery of services and public health interventions within localities.

### **Functions of iwi-Māori partnership boards**

As introduced, the bill contains no powers or functions for the boards. This was because the interim MHA was working with Māori to inform advice about the specific functions and powers of IMPBs. We were advised that the engagement occurred from September to December 2021, with hui undertaken across New Zealand. We understand that the engagement confirmed the view expressed in submissions that iwi, hapū, and wider Māori communities wish to play a more meaningful role in determining priorities, planning, and designing local health services. They are also seeking specific powers and functions in the legislation to do this.

As a result of this consultation, we recommend inserting clause 27B to enable IMPBs to perform the following functions:

- engaging with Māori about local health needs, and sharing insights with HNZ and the MHA
- assessing the current state of hauora Māori in their localities and determining priorities for improving hauora Māori
- agreeing local priorities and locality plans with HNZ and the MHA
- monitoring the performance of the health system in their localities, including against the locality plan
- engaging with the MHA to support its stewardship of hauora Māori and its priorities for kaupapa Māori investment and innovation
- reporting on their activities to Māori in their areas.

In our section on the Hauora Māori advisory committee, we have proposed an amendment to enable IMPBs to jointly agree to appointments to the advisory committee. Consequentially, we recommend including this additional function in new clause 27B.

We also recommend a consequential amendment to clause 28 to reflect our proposed amendment to enable IMPBs to agree local priorities and locality plans.<sup>3</sup> We recommend inserting clause 28(1A) to provide that the procedure in clause 28(1) would apply if HNZ, the MHA, and an IMPB were unable to agree on a locality plan.

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<sup>3</sup> Clause 28 relates to the process for resolving disputes for HNZ and the MHA.

### **Recognition of iwi-Māori partnership boards**

Clause 87, as introduced, sets out the criteria for recognising an organisation as an IMPB. To be recognised, the boundaries of the area covered by the organisation could not overlap with the boundaries of any area covered by another board. All iwi within the area would need to have had the opportunity to nominate a member to the organisation. Reasonable steps would need to have been taken to provide for representation from the wider Māori community within the area and hauora Māori experts.

Schedule 3 lists the existing IMPBs and the areas covered by them.

We recommend a number of changes to these provisions to protect the interests of all Māori who wish to ensure that their view is represented by IMPBs and to provide for a more flexible Māori-led and tikanga-based approach to the establishments of the boards. We recommend vacating Schedule 3, as introduced, and replacing clause 88. Our proposed new clause 27A would provide for the following:

- Any prospective group could make proposals to the MHA to establish itself as an IMPB.
- The MHA would need to consider whether the group had taken all reasonable steps to engage with Māori communities and groups that were present or had interests in the proposed area. The MHA would also need to consider whether the group's constitutional and governance arrangements demonstrated that they would be able to represent the views of, and be accountable to, those communities and groups.
- If the MHA was satisfied with the above matters, it would advise the Minister to recommend that an Order in Council be made by the Governor-General recognising the organisation as an IMPB for the purpose of the legislation. This process could be used to recognise or remove an IMPB or give effect to a variation or merger of IMPBs.

Our proposed clause 27C would retain the requirement that there could only be one IMPB for any area. It would also contain a requirement that the areas for IMPBs would need to be appropriate for them to efficiently fulfil their functions.

### **Statutory review of the legislation**

We consider that the legislation should be reviewed at least once every five years to ensure that it remains relevant and fit for purpose. We expect that the hauora Māori provisions would be a key focus of the review given their importance. Accordingly, we recommend inserting clause 95A to require the Director-General of Health to review the legislation at least every five years, having particular regard to the advice of the Māori Health Authority.

### **Transitional provisions**

Schedule 1 relates to the transition of health system arrangements from the New Zealand Public Health and Disability Act to the new legislation.

**Transferring staff to new entities**

Schedule 1 includes amendments that would remove the departmental agencies for HNZ and the MHA from the Public Service Act 2020. Under our proposed amendment, staff in these agencies would be transferred to the new agencies on commencement. The provisions would be largely similar to the transfer of employees from DHBs. Service in HNZ or the MHA would be deemed continuous service in the public service for the purpose of entitlements.

**Interim Health Plan**

Clause 3 of Schedule 1 provides that the Interim Health Plan would apply until the first New Zealand Health Plan took effect. Clause 3(3)(a) defines “Interim Health Plan” as a plan developed by the following departmental agencies listed in Part 2 of Schedule 2 of the Public Service Act 2020: (i) Health New Zealand; and (ii) Māori Health Authority.

We recommend deleting clause 3(3)(a). This is because, if the bill is enacted, the new entities that take over from the departmental agencies will develop parts of the Interim Health Plan.

**Transfer of information**

Clause 9(2) of Schedule 1 provides that the transfer of information from a DHB to HNZ under subclause (1) would not constitute an action that interfered with an individual under section 69 of the Privacy Act. Clause 17(2) of Schedule 1 contains a similar provision for information transferred from the Health Promotion Agency (HPA) to HNZ. We understand that these provisions are for the avoidance of doubt because all information from DHBs and the HPA would be transferred to HNZ instantaneously.

We note that there is potential for other breaches of the Privacy Act, for example involving the storage of information. They should still be regarded as breaches. Although we do not believe the occasion for a breach will arise because of the instantaneous nature of the transfer, we recommend amending clauses 9(2) and 17(2) of Schedule 1 to exclude the transfer from only two privacy principles under the Privacy Act. They would be Information Privacy Principle 8 (Accuracy) and Information Privacy Principle 11 (Disclosure).

**Terms and conditions of contracts and engagements of district health boards**

Clause 12 of Schedule 1 provides that, if a contract or engagement of a DHB contained terms and conditions that were specific to that DHB, those terms and conditions would continue to apply when transferred to HNZ, but only to parties within the DHB’s region.

We understand that this clause is intended to ensure that arrangements made by DHBs would continue to apply as originally intended, rather than being converted to nationwide agreements when HNZ replaced each DHB. We recommend amending clause 12 to achieve this intention more clearly.

### **Transfer of assets and liabilities**

Clause 9 of Schedule 1 sets out the provisions for transferring assets, liabilities, and other matters from DHBs to HNZ. For consistency with other transfer legislation and to avoid doubt, we recommend inserting clause 23A to specify that the transfer of assets and liabilities would not place the Crown or any entity in breach of any legal obligation. Also, it would not create any right of action.

Given the complexity of the health sector, we consider that a provision is needed to ensure that the transfer would override any contrary conditions in other legislation or agreements. We recommend inserting clause 18A(1) into Schedule 1 for that purpose. To ensure there is appropriate flexibility, we recommend clause 18A(2), which is broadly based on section 2(4) of the Health (Transfers) Act 1993.

### **Final reports of district health boards and the Health Promotion Agency**

We note that, generally, the annual reports of Crown entities are subject to the requirements of the Crown Entities Act and must be audited by 31 October each year. We were advised that, in early 2021, the Office of the Auditor-General sought an extension of the usual time frame to 31 December due to an unprecedented shortage of auditors across New Zealand and Australia. An amendment was made to the Crown Entities Act, which applies to all ongoing Crown entities for the 2021/22 financial year.

The final reporting requirements for public entities that are disestablished are specified in the Public Finance Act 1989. That Act provides for a three-month time frame to present final reports to the responsible Minister. This means that reports must be prepared and audited within three months.

We understand that the shortage of auditors is still affecting the sector and the three-month time frame for final reports creates a high risk of the entities failing to meet statutory deadlines. Further, we note that responsibility for completing the final reports will be transferred to HNZ. We consider that finalising 21 annual reports for audit will place considerable pressure on it as it focuses on its core roles in the new health system.

Consequently, we recommend inserting clauses 15 and 17A in Schedule 1. Our proposed amendments would provide that the final reports of each DHB and the HPA would need to be provided by the close of 31 December 2022.

### **Transfer of employees**

Subpart 6 of Schedule 1 relates to the transfer of employees. We consider that it would be useful to include a statement about the policy intent of this subpart, given the range of transfers that would be covered. We recommend inserting clause 1A into Schedule 1 to reflect this.

**Other restrictions on redundancy payments**

Clause 21 would apply to a scenario where employees of DHBs or the HPA would be made redundant and then offered a position in the Ministry of Health. However, this clause would have no effect because DHBs and the HPA would not exist when the clause came into force. Instead, employees who were made redundant from HNZ or the MHA and offered a position in the ministry would be covered by normal employment law provisions. Therefore, we recommend deleting clause 21.

**Eligibility for the Government Superannuation Scheme**

We note that the Government Superannuation Scheme closed to new members in 1994. It is likely, however, that some staff transferring to the new entities will be members of it. The Government Superannuation Fund Act 1956 predates several other related Acts in its definitions of who can be covered by the scheme.<sup>4</sup> This creates a risk of issues with the new entities.

To avoid doubt, we recommend inserting clause 22(6) to provide that HNZ and the MHA would be part of the health service within the definition of “Government service” in section 2 of the Government Superannuation Fund Act 1956.

**Clarifying when employment would be continuous**

Clause 22 of Schedule 1 specifies when employment would be continuous for the purpose of certain legislation. Because the intention is that employees are to be no worse off, we recommend amending this clause to state that employment would be continuous for the purposes of all enactments and contractual obligations and entitlements.

Clause 22(4) sets out the process for when an employee’s position with HNZ began before the date on which their position with a DHB or the HPA ended. We consider that this clause is unnecessary because there will be no overlap between employers, and recommend deleting clause 22(4) accordingly.

**Revoking ministerial directions**

Clause 24 of Schedule 1 provides that any ministerial directions made under section 32 of the New Zealand Public Health and Disability Act would continue in force, despite the repeal of that Act. Ministerial directions under section 103 of the Crown Entities Act for any entity established under the New Zealand Public Health and Disability Act would also continue in force. Clause 24(1)(b) would enable the Minister to specify, by Order in Council, a date on which an order ceased to have effect.

The Regulations Review Committee noted that the Governor-General, as chair of the Executive Council, exercises the power to make an Order in Council. If the Governor-

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<sup>4</sup> The legislation is the State Sector Act 1988 (which was repealed and replaced by the Public Service Act 2020), the New Zealand Public Health and Disability Act, and the Public Service Act.



General is absent, the power is exercised by the Administrator of Government. A Minister cannot exercise the power and it is not a form of secondary legislation that a Minister can create.

The Regulations Review Committee recommended that clause 24(1)(b) of Schedule 1 be amended so that the power is exercised by the Minister as a direction, or by the Governor-General as an Order in Council. We consider that the Minister should revoke ministerial directions. Accordingly, we recommend removing the reference to “Order in Council” and replacing it with “notified in writing to any entity subject to the direction and published in the *Gazette*”.

### **New Zealand National Party differing view**

The National Party has concerns with the Pae Ora Bill and will not be supporting it. These concerns include:

#### **Centralisation of decision making and loss of the local voice**

We are concerned that Wellington bureaucrats will be making decisions that should be made by local people and that the voice of local, rural, and provincial communities will be lost. The lack of detail around key structures such as locality networks and years for their implementation gives us no confidence that they will deploy any time soon or adequately represent and benefit communities.

#### **Health need should be the first principle in health**

The Pae Ora Bill as written is weighted towards a treaty response rather than a health response. National believes health need should be the first principle from which the distribution of scarce health resources should arise.

#### **National does not support a Māori Health Authority**

We recognise Māori health inequities but do not believe a Māori Health Authority will reduce inequities. We are concerned with the commissioning arm of the Māori Health Authority that has an inherent conflict of interest as a monitor of the health system, while at the same time commissioning health services. It is also concerning that financial aspects of the Government’s documentation around the Māori Health Authority in clauses 56 and 57 of the section “Assumptions Underpinning the Bid” have been redacted from the Regulatory Impact Statement. This raises questions of the financial viability of the Māori Health Authority.

#### **Increasing bureaucracy**

National is concerned that Pae Ora will create new layers of bureaucracy for little benefit including Health New Zealand, regional and district offices in the four regions, and locality networks.

**Timing**

National is concerned with the timing of the reforms in the middle of a pandemic when dedicated health staff are already exhausted for what is a merger of one of the biggest number of public entities ever.

**Distraction**

It is inevitable that restructuring the health system will result in crucial service improvements and much-needed infrastructure investments being put on hold while the sector is preoccupied with the restructure itself. National believes that the amount of time, effort, and capacity the health sector will have to devote to trying to make this restructure work would all be far better directed towards improving health outcomes.

**Opportunity cost**

The restructure will see millions, if not billions, of taxpayer money spent in health with none of it going towards the actual improvement of health services and outcomes. Every dollar spent on this restructure is one less dollar that could be invested in health outcomes, or in other public services. We do not believe that a restructure of the entire health system comes anywhere close to providing value for taxpayer money.

**Health outcomes**

We are concerned that the bill focuses heavily on structure and not health outcomes, viz form over function. Furthermore, it is unacceptable for clause 89 of the Regulatory Impact Statement on the Māori Health Authority to state “It is unlikely that results of the change will be clear any sooner than five years”. We have also not found arguments such as increasing operating theatre time to improve productivity to be credible.

In summary, National supports health outcomes and not form over function. We see little in the Pae Ora Bill that gives us confidence that New Zealanders will be better off and we will not be supporting the bill.

**ACT New Zealand differing view**

The ACT Party opposes the Pae Ora (Healthy Futures) Bill.

The Pae Ora (Healthy Futures) Bill is an exercise in co-governance. This health reform removes the District Health Board structure, replacing it with two new entities, Health New Zealand, and the Māori Health Authority. This will deliver Kiwis a centralised but divided health care system.

The Health and Disability System Review in 2020 identified health inequalities and disparities faced by Māori, Pasifika, people with disabilities, and rural populations. Unfortunately, focus in these areas has been lost to a focus on co-governance.

Rural health was mentioned over 80 times in the Health and Disability System Review, and it was identified that people living in rural towns can have poorer health

outcomes and lower life expectancy. However, there is no rural health strategy in this bill.

The status quo is not acceptable. We do need change. Our hospitals and healthcare services are understaffed, overworked, and underequipped. People languish on waiting lists to get elective surgeries, yet healthcare inaccessibility grows.

Mental healthcare in New Zealand continues to worsen.

Kiwis continue to struggle to access publicly funded medicines, yet this bill leaves Pharmac and access to medicines untouched. It is not possible to truly reform the healthcare system without considering the role medicines play in the lives of New Zealanders.

There is a need for better accountability, more hospital beds, a stronger workforce, and better access to life-saving medicines so more New Zealanders can live longer, healthier lives.

But that is not what this bill delivers.

It does not answer the basic question: will this get better treatment, faster, for more patients?

By focusing on co-governance, it does not address any of those issues. Worse, it risks being divisive and ineffective. The newly established health system principles say the health system should “provide opportunities for Māori to exercise decision-making authority on matters of importance to Māori” but there is no requirement for the same decision-making authority on matters of importance to anyone else.

What New Zealand needs is a modern healthcare system that empowers people to get the healthcare that they truly need and deserve, not a system that increases bureaucracy and red tape through division.

We can improve the health system but separating New Zealanders into groups with different rights is not an exercise in health, it is an exercise in politics. This reform puts identity before health.

The ACT Party acknowledges this, and we oppose the Pae Ora (Healthy Futures) Bill. It represents a serious departure from the idea that all New Zealanders have equal rights.

We advocate for a system which prioritises quality and accessible healthcare for all New Zealanders regardless of heritage and ethnicity.

ACT wants to strengthen the healthcare system, not divide it. We oppose this bill.

## Appendix

### Committee process

The Pae Ora (Healthy Futures) Bill was referred to the committee on 27 October 2021. We invited the Minister of Health and the Associate Minister of Health (Māori Health) to provide an initial briefing on the bill. They did so on 10 November 2021.

The closing date for submissions on the bill was 9 December 2021. We received and considered submissions from 4,665 interested groups and individuals. We heard oral evidence from 178 submitters at hearings by videoconference.

We received advice on the bill from the Department of the Prime Minister and Cabinet. The Office of the Clerk provided advice on the bill's legislative quality. The Parliamentary Counsel Office assisted with legal drafting. The Regulations Review Committee reported to us on the powers contained in clauses 53 and 79, and clause 24 of Schedule 1.

### Committee membership

Dr Deborah Russell (Chairperson)

Tamati Coffey

Dr Liz Craig

Matt Doocey

Dr Elizabeth Kerekere

Dr Anae Neru Leavasa

Debbie Ngarewa-Packer

Willow-Jean Prime

Dr Shane Reti

Brooke van Velden

Arena Williams

**Key to symbols used in reprinted bill**

**As reported from a select committee**

text inserted by a majority

~~text deleted by a majority~~



*Hon Andrew Little*

## **Pae Ora (Healthy Futures) Bill**

Government Bill

### **Contents**

	Page
1 Title	5
2 Commencement	5
<b>Part 1</b>	
<b>Preliminary provisions</b>	
3 Purpose of this Act	6
4 Interpretation	6
5 Guide to this Act	9
6 Te Tiriti o Waitangi (the Treaty of Waitangi)	9
7 <del>Health system</del> <u>sector</u> principles	10
8 Transitional, savings, and related provisions	12
9 Act binds the Crown	12
<b>Part 2</b>	
<b>Key roles and health documents</b>	
Subpart 1—Minister of Health	
10 Overview of Minister’s role	12
Subpart 2—Health New Zealand	
11 Health New Zealand established	13
12 Board of Health New Zealand	13
13 Objectives of Health New Zealand	14
14 Functions of Health New Zealand	14
15 Health New Zealand must provide information to iwi-Māori partnership boards	15
16 Additional collective duties of board of Health New Zealand	15

**Pae Ora (Healthy Futures) Bill**

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Subpart 3—Māori Health Authority		
17	Māori Health Authority established	16
18	Objectives of Māori Health Authority	16
19	Functions of Māori Health Authority	16
20	Engaging with and reporting to Māori	18
21	Māori Health Authority to support and engage with iwi-Māori partnership boards	18
22	Board of Māori Health Authority	18
23	Removal of members	19
24	Financial operations of Māori Health Authority	19
25	Application of Crown Entities Act 2004 to Māori Health Authority	20
26	Application of Public Service Act 2020 to Māori Health Authority	20
27	Application of Public Records Act 2005	20
<u>Subpart 3A—Iwi-Māori partnership boards</u>		
<u>27A</u>	<u>Purpose of iwi-Māori partnership boards</u>	<u>20</u>
<u>27B</u>	<u>Functions of iwi-Māori partnership boards</u>	<u>20</u>
<u>27C</u>	<u>Recognition of iwi-Māori partnership boards</u>	<u>21</u>
Subpart 4—Disputes		
28	Disputes between Health New Zealand, <del>and</del> Māori Health Authority, <u>and others</u>	23
Subpart 5—Key health documents		
29	Overview of important health documents	23
<del><i>Government Policy Statement on Health</i></del>		
<del>30</del>	<del>GPS</del>	<del>24</del>
<del>31</del>	<del>Preparation of GPS</del>	<del>25</del>
<del>32</del>	<del>Content of GPS</del>	<del>25</del>
<del>33</del>	<del>GPS must be made available</del>	<del>26</del>
<del>34</del>	<del>Status of GPS</del>	<del>26</del>
<del>35</del>	<del>Health entities must give effect to GPS</del>	<del>26</del>
<del>36</del>	<del>Amending GPS</del>	<del>26</del>
<i>Health strategies</i>		
37	New Zealand Health Strategy	26
38	Hauora Māori Strategy	27
39	Pacific Health Strategy	27
40	<del>Disability Health of Disabled People</del> Strategy	27
<u>40A</u>	<u>Women’s Health Strategy</u>	<u>28</u>
41	Process for making health strategy	28
42	Review and progress of health strategy	29
43	Health entities must have regard to health strategies	29
<u><i>Government Policy Statement on Health</i></u>		
<u>43A</u>	<u>GPS</u>	<u>29</u>



**Pae Ora (Healthy Futures) Bill**

---

<u>43B</u>	<u>Preparation of GPS</u>	<u>29</u>
<u>43C</u>	<u>Content of GPS</u>	<u>30</u>
<u>43D</u>	<u>GPS must be made available</u>	<u>30</u>
<u>43E</u>	<u>Status of GPS</u>	<u>30</u>
<u>43F</u>	<u>Health entities must give effect to GPS</u>	<u>30</u>
<u>43G</u>	<u>Amending GPS</u>	<u>30</u>

*New Zealand Health Plan*

44	New Zealand Health Plan	31
45	Content of New Zealand Health Plan	31
46	<u>Report of performance against New Zealand Health Plan Reports</u>	32
47	<u>Process for preparing New Zealand Health Plan</u>	32

*Localities and locality plans*

48	Determination of localities	33
49	Locality plans	33

*New Zealand Health Charter*

50	<del>Minister must determine</del> New Zealand Health Charter	34
<del>51</del>	<del>Health entities must have regard to charter</del>	<del>35</del>
52	Making of charter	35
<u>52A</u>	<u>Report on charter</u>	<u>35</u>

*Consumer and whānau engagement ~~participation~~*

53	<del>Code of Consumer Participation</del> <u>Code of Consumer Participation for consumer and whānau engagement in health sector</u>	36
54	Health entities must act in accordance with <del>code</del> <u>Code of Consumer Participation</u>	36

Subpart 6—Ministerial powers

55	Minister may appoint Crown observers	36
56	Minister may dismiss board or appoint commissioner	37
<u>56A</u>	<u>Minister may appoint Crown manager for Health New Zealand</u>	<u>38</u>
57	Improvement plan	39
58	Provision of information	39
59	Restrictions on directions under section 103 of Crown Entities Act 2004	40

**Part 3  
Other roles**

Subpart 1—Pharmac

60	Pharmac	40
61	Objectives of Pharmac	41
62	Functions of Pharmac	41
63	Pharmac to consult in implementing objectives and performing functions	41
64	Board of Pharmac to ensure advisory committees	42

**Pae Ora (Healthy Futures) Bill**

---

65	Publication of notices	42
66	Membership of board of Pharmac	42
67	Exemption from Part 2 of Commerce Act 1986	42
	Subpart 2—New Zealand Blood and Organ Service	
68	NZBOS	43
69	Functions of NZBOS	43
70	Membership of board	44
	Subpart 3—Health Quality and Safety Commission	
71	Health Quality and Safety Commission	44
72	Objectives of HQSC	44
73	Functions of HQSC	44
74	Membership of board of HQSC	45
75	HQSC may appoint mortality review committees	45
	Subpart 4—Provisions that apply to Pharmac, NZBOS, and HQSC	
76	Organisation defined	46
77	Responsibility to operate in financially responsible manner	46
<del>78</del>	<del>Delegations policy</del>	<del>46</del>
<del>79</del>	<del>Employees</del>	<del>47</del>
80	Public Records Act 2005 to apply	47
81	Committees	47
	Subpart 5—Committees	
	<i>Ministerial committees</i>	
82	Ministerial committees	48
83	Information about ministerial committees to be made public	48
	<i>Hauora Māori Advisory Committee</i>	
84	Hauora Māori Advisory Committee	49
<u>84A</u>	<u>Membership of Hauora Māori Advisory Committee</u>	<u>50</u>
<u>84B</u>	<u>Listing of organisations in <b>Schedule 1A</b></u>	<u>51</u>
	<i>National advisory committee on health services ethics</i>	
85	National advisory committee on health services ethics	51
	<i>Expert advisory committee on public health</i>	
86	Expert advisory committee on public health	52
	<del>Subpart 6—Iwi Māori partnership boards</del>	
<del>87</del>	<del>Purpose of iwi Māori partnership boards</del>	<del>53</del>
<del>88</del>	<del>Recognition of iwi Māori partnership boards</del>	<del>53</del>
	<b>Part 4</b>	
	<b>General</b>	
	Subpart 1—Powers in relation to service commissioning	
<del>89</del>	<del>Crown funding agreements</del>	<del>54</del>

90	Arrangements relating to payments	55
91	Restrictions on notices given under <b>section 90</b>	55
	Subpart 2—Provisions that apply to health entities	
92	Accountability documents	56
93	Director-General may require information from health entities	56
94	Health entities must provide information	56
95	Minister’s approval required for health entity’s dealings with land	57
	<u>Subpart 2A—Review of Act</u>	
<u>95A</u>	<u>Act must be reviewed every 5 years</u>	<u>57</u>
	Subpart 3—Secondary legislation	
96	Levies for alcohol-related purposes	57
97	Regulations	58
	Subpart 4—Amendments to enactments	
98	Enactments repealed and revoked	60
99	Consequential amendments	60
	<b>Schedule 1</b>	61
	<b>Transitional, savings, and related provisions</b>	
	<u>Schedule 1A</u>	<u>77</u>
	<u>Organisations for purpose of <b>section 84A(1)(b)(i)</b></u>	
	<b>Schedule 2</b>	78
	<b>Consequential amendments to enactments</b>	
	<b>Schedule 3</b>	107
	<b>Iwi-Māori partnership boards</b>	
	<b>Schedule 4</b>	108
	<b>Provisions applying to mortality review committees</b>	
	<b>Schedule 5</b>	111
	<b>Provisions relating to imposition and payment of Ministry levies</b>	
	<b>Schedule 6</b>	115
	<b>Classes of alcohol and rates for each class</b>	

**The Parliament of New Zealand enacts as follows:**

**1 Title**

This Act is the Pae Ora (Healthy Futures) Act **2021**.

**2 Commencement**

This Act comes into force on **1 July 2022**.

## Part 1

### Preliminary provisions

#### 3 Purpose of this Act

The purpose of this Act is to provide for the public funding and provision of services in order to—

- (a) protect, promote, and improve the health of all New Zealanders; and
- (b) achieve equity ~~by reducing health disparities~~ in health outcomes among New Zealand's population groups, including by striving to eliminate health disparities, in particular for Māori; and
- (c) build towards pae ora (healthy futures) for all New Zealanders.

#### 4 Interpretation

In this Act, unless the context otherwise requires,—

**code of Consumer Participation expectations for consumer and whānau engagement in the health sector** means the ~~Code of Consumer Participation code~~ approved under **section 53**

~~**Crown funding agreement** means an agreement that the Crown enters into with any person under which the Crown agrees to provide money in return for the person providing, or arranging for the provision of services, facilities, or goods specified in the agreement~~

**Director-General** means the chief executive or acting chief executive under the Public Service Act 2020 of the Ministry of Health

**disability support services** includes goods, services, and facilities—

- (a) provided to people with disabilities for their care or support or to promote their inclusion and participation in society and their independence; or
- (b) provided for purposes related or incidental to the care or support of people with disabilities or to the promotion of ~~the~~ their inclusion and participation in society ~~of such people~~ and their independence

**Government Policy Statement** or **GPS** means the Government Policy Statement on Health required under ~~section 30~~ **43A**

**Hauora Māori Advisory Committee** means the committee established under **section 84**

**health entity** means Health New Zealand, HQSC, the Māori Health Authority, Pharmac, or NZBOS

**Health New Zealand** means the health entity established under **section 11**

**health sector principles** means the principles set out in **section 7(1)**

**health strategy** means any of the following health strategies:

- (a) the New Zealand Health Strategy:
- (b) the Hauora Māori Strategy:
- (c) the Pacific Health Strategy:
- (d) the ~~Disability~~ Health of Disabled People Strategy: 5
- (e) the Women's Health Strategy

~~**health system** means all of the following entities, and includes activities funded by them:~~

- ~~(a) the Ministry (including its departmental agencies); and~~
- ~~(b) all health entities; and~~ 10
- ~~(c) the Mental Health and Wellbeing Commission, the Health and Disability Commissioner, the New Zealand Artificial Limb Service, and the Health Research Council of New Zealand~~

~~**health system principles** means the principles set out in **section 7(1)**~~

**HQSC** means the Health Quality and Safety Commission continued under **section 71** 15

**iwi-Māori partnership board** means an organisation listed in **Schedule 3**

**locality** means a geographically defined area determined under **section 48**

**Māori Health Authority** means the health entity established under **section 17** 20

**Minister of Health** or ~~**Minister of Health**~~ means the Minister of the Crown who, under the authority of any warrant or with the authority of the Prime Minister, is responsible for the administration of this Act

~~**ministerial committee** means a committee established under **section 82**~~

**Ministry of Health** or ~~**Ministry of Health**~~ means the department of the public service referred to by that name 25

~~**ministerial committee** means a committee established under **section 82**~~

**New Zealand Health Charter** or **charter** means the charter made under **section 52**

**New Zealand Health Plan** means the plan required under **section 44** 30

**New Zealand Health Strategy** means the strategy required under **section 37**

**NZBOS** means the New Zealand Blood and Organ Service continued under **section 68**

**personal health** means the health of an individual

**personal health services**—

- (a) means goods, services, and facilities provided to an individual for the purpose of improving or protecting the health of that individual, whether or not they are also provided for another purpose; and
- (b) includes goods, services, and facilities provided for related or incidental purposes 5

**Pharmac** means the Pharmaceutical Management Agency continued under **section 60**

**pharmaceutical** means a medicine, therapeutic medical device, or related product or related thing 10

**pharmaceutical schedule** means the list of pharmaceuticals for the time being in force that states, in respect of each pharmaceutical, the subsidy that the Crown intends to provide for the supply of that pharmaceutical to a person who is eligible for the subsidy

**provider** means a person who provides, or arranges for the provision of, services 15

**public health** means the health of—

- (a) all the people of New Zealand; or
- (b) a population group, community, or section of people within New Zealand 20

**Public Health Agency** means the Public Health Agency established under section 3E of the Health Act 1956

**public health services** means goods, services, and facilities provided for the purpose of improving, promoting, or protecting public health or preventing population-wide disease, disability, or injury, and includes— 25

- (a) regulatory functions relating to health or disability matters; and
- (b) health protection and health promotion services; and
- (c) goods, services, and facilities provided for related or incidental functions or purposes

**publicly available**, in relation to a document, means ~~to publish it~~ published in a readily accessible format on an Internet site that— 30

- (a) is administered by or on behalf of the Ministry or a health entity; and
- (b) is publicly available as far as practicable and free of charge

**services** means—

- (a) personal health services; and 35
- (b) public health services; and
- (c) disability support services; and

- (d) services provided to a person who has requested assisted dying under the End of Life Choice Act 2019

**statement of intent** means a statement of intent prepared in accordance with the Crown Entities Act 2004 and any regulations made under this Act.

- 5 Guide to this Act** 5
- (1) **Part 1** provides for the purpose of this Act, the health-system sector principles, ~~and definitions,~~ and sets out how this Act provides for the Crown's intention to give effect to the principles of te Tiriti o Waitangi (the Treaty of Waitangi).
- (2) **Part 2** provides for the roles of the Minister of Health, Health New Zealand, ~~and the Māori Health Authority, and iwi-Māori partnership boards.~~ **Part 2** also provides for the key health documents that will inform the provision of services under this Act. 10
- (3) **Part 3** sets out the ~~role~~ roles of Pharmac, HQSC, NZBOS, and specified committees including the Hauora Māori Advisory Committee, ~~and iwi Māori partnership boards~~ and provides for the establishment of ministerial committees. 15
- (4) **Part 4** contains powers relating to service commissioning, provisions that apply to health entities, and empowers the making of secondary legislation.
- (5) This section is intended as a guide only.
- 6 Te Tiriti o Waitangi (the Treaty of Waitangi)**
- In order to provide for the Crown's intention to give effect to the principles of te Tiriti o Waitangi (the Treaty of Waitangi), this Act— 20
- (a) requires the Minister, the Ministry, and all health entities to be guided by the health-system sector principles, which, among other things, are aimed at improving the health-system sector for Māori and ~~raising~~ improving hauora Māori outcomes; and 25
- (b) establishes the Māori Health Authority and sets out its objectives and functions; and
- (c) requires the Minister ~~to~~—
- (i) to establish a permanent committee, the Hauora Māori Advisory Committee, to advise the Minister; and 30
- (ii) to seek ~~the~~ that committee's advice or agreement of the committee before exercising certain powers; and
- (ca) requires the Minister to have regard to any advice of the Māori Health Authority when determining a health strategy; and
- (cb) requires the Hauora Māori Strategy to be jointly prepared by the Māori Health Authority and the Ministry; and 35
- (d) ~~gives recognition to~~ provides for iwi-Māori partnership boards to enable Māori to ~~participate in and contribute to decision making on local health~~

- ~~priorities~~ have a meaningful role in the planning and design of local services; and
- (da) requires the Government Policy Statement to contain priorities for hauora Māori; and
- (e) requires Health New Zealand and the Māori Health Authority to engage with iwi-Māori partnership boards; and 5
- (f) requires Health New Zealand and the Māori Health Authority to jointly develop and implement a New Zealand Health Plan and to work together in the performance of specified functions of Health New Zealand; and
- ~~(g) requires the boards of Health New Zealand and the Māori Health Authority to have knowledge of, and experience and expertise in relation to, giving effect to te Tiriti o Waitangi (the Treaty of Waitangi) and tikanga Māori; and~~ 10
- (g) includes, as criteria for appointment to the board of the Māori Health Authority, that the board collectively has knowledge of, and experience and expertise in relation to, te Tiriti o Waitangi (the Treaty of Waitangi), tikanga Māori, mātauranga Māori, kaupapa Māori services, and cultural safety and responsiveness of services; and 15
- (ga) includes, as criteria for appointment to the board of Health New Zealand, that the board collectively has knowledge of, and experience and expertise, in relation to, te Tiriti o Waitangi (the Treaty of Waitangi) and tikanga Māori; and 20
- (gb) requires the board of Health New Zealand to maintain systems and processes to ensure that Health New Zealand has the capacity and capability to understand te Tiriti o Waitangi (the Treaty of Waitangi), mātauranga Māori, and Māori perspectives of services; and 25
- ~~(h) requires the Māori Health Authority to have systems in place for the purpose of engaging with Māori and enabling the responses from that engagement to inform the performance of its functions; and~~
- (h) requires the Māori Health Authority— 30
- (i) to have systems in place for the purpose of engaging with Māori and enabling responses from that engagement to inform the performance of its functions; and
- (ii) to support and engage with iwi-Māori partnership boards; and
- (i) requires the Māori Health Authority to report back to Māori on how the engagement under **section 20(4)(e)** has informed the performance of its functions. 35

## 7 ~~Health-system~~ sector principles

- (1) For the purpose of this Act, the ~~health-system~~ sector principles are as follows:



- (a) the ~~health-system~~ sector should be equitable, which includes ensuring Māori and other population groups—
- (i) have access to services in proportion to their health needs; and
  - (ii) receive equitable levels of service; and
  - (iii) achieve equitable health outcomes: 5
- (b) the ~~health-system~~ sector should engage with Māori, other population groups, and other people to develop and deliver services and programmes that reflect their needs and aspirations, for example, by engaging with Māori to develop, deliver, and monitor services and programmes designed to ~~raise~~ improve hauora Māori outcomes: 10
- (c) the ~~health-system~~ sector should provide opportunities for Māori to exercise decision-making authority on matters of importance to Māori and for that purpose, have regard to both—
- (i) the strength or nature of Māori interests in a matter; and
  - (ii) the interests of other health consumers and the Crown in the matter: 15
- (d) the ~~health-system~~ sector should provide choice of quality services to Māori and other population groups, including by—
- (i) resourcing services to meet the needs and aspirations of iwi, hapū, and whānau, and Māori (for example, kaupapa Māori and whānau-centred services); and 20
  - (ii) providing services that are culturally safe and culturally responsive to people’s needs; and
  - (ia) developing and maintaining a health workforce that is representative of the community it serves; and 25
  - (iii) harnessing clinical leadership, innovation, ~~and~~ technology, and lived experience to continuously improve services, access to services, and health outcomes; and
  - (iv) providing services that are tailored to a person’s mental and physical needs and their circumstances and preferences; and 30
  - (v) providing services that reflect mātauranga Māori:
- (e) the ~~health-system~~ sector should protect and promote people’s health and wellbeing, including by—
- (i) adopting population health approaches that prevent, reduce, or delay the onset of health needs; and 35
  - (ii) undertaking promotional and preventative measures to protect and improve Māori health and wellbeing; and
  - (iii) working to improve mental and physical health and diagnose and treat mental and physical health problems equitably; and

- (iv) collaborating with agencies and organisations to address the wider determinants of health; and
- (v) undertaking promotional and preventative measures to address the wider determinants of health, including climate change, that adversely affect people’s health. 5
- (2) ~~A health entity must, when~~ When performing its functions a function or exercising a power or duty under this Act, the Minister, the Ministry, and each health entity must be guided by the health-system sector principles—
- (a) as far as reasonably practicable, having regard to all the circumstances, including any resource constraints; and 10
- (b) to the extent applicable to ~~the health entity and its functions~~ them.
- (3) In **subsection (1)(d), lived experience** means the direct experience of individuals.
- (3) ~~The Ministry must, when performing any activity authorised or required under this Act, be guided by the health system principles—~~ 15
- (a) ~~as far as reasonably practicable, having regard to all the circumstances, including any resource constraints; and~~
- (b) ~~to the extent applicable to the Ministry.~~
- (4) ~~The health system principles in **subsection (1)(b) and (c)** do not apply to **Pharmae** and the performance of its functions.~~ 20
- 8 Transitional, savings, and related provisions**
- The transitional, savings, and related provisions set out in **Schedule 1** have effect according to their terms.
- 9 Act binds the Crown**
- This Act binds the Crown. 25

## Part 2

### Key roles and health documents

#### Subpart 1—Minister of Health

- 10 Overview of Minister’s role**
- (1) The Minister’s role ~~in the New Zealand health system~~ includes— 30
- (a) ~~issuing a Government Policy Statement and~~ determining the following health strategies:
- (i) New Zealand Health Strategy:
- (ii) Hauora Māori Strategy:
- (iii) Pacific Health Strategy: 35

- (iv) ~~Disability~~ Health of Disabled People Strategy;
  - (v) Women's Health Strategy; and
  - (aa) issuing a Government Policy Statement; and
  - (b) approving the New Zealand Health Plan developed by Health New Zealand and the Māori Health Authority; and 5
  - (c) ~~approving~~ endorsing the New Zealand Health Charter ~~and the Code of Consumer Participation~~; and
  - (ca) approving a code of expectations for consumer and whānau engagement in the health sector; and 10
  - (d) establishing committees under this Act; and
  - (e) exercising intervention powers under **sections 55 to 57**.
- (2) This section is intended as a guide only.

## Subpart 2—Health New Zealand

### 11 Health New Zealand established

- (1) Health New Zealand is established. 15
- (2) Health New Zealand is a Crown agent within the meaning of section 10(1) of the Crown Entities Act 2004.
- (3) The Crown Entities Act 2004 applies to Health New Zealand, except to the extent that this Act expressly provides otherwise.

### 12 Board of Health New Zealand 20

- (1) The board of Health New Zealand consists of not fewer than 5, and not more than 8, members.
- (2) The Minister must appoint the members of the board (other than the member referred to in **subsection (4)**) and the chairperson.
- (3) When appointing members, the Minister must be satisfied that the board, collectively has knowledge of, and experience and expertise in relation to,— 25
  - (a) te Tiriti o Waitangi (the Treaty of Waitangi) and tikanga Māori; and
  - (b) the public funding and provision of services; and
  - (c) public sector governance and government processes; and
  - (d) financial management. 30
- (4) The chairperson of the Māori Health Authority (or the nominated co-chairperson referred to in **section 22(3)**)—
  - (a) is, by virtue of holding that office, a member of the board of Health New Zealand with voting rights; and
  - (b) may delegate that membership to a deputy chairperson of the Māori Health Authority. 35

**13 Objectives of Health New Zealand**

The objectives of Health New Zealand are—

- (a) to design, arrange, and deliver services to achieve the purpose of this Act in accordance with the ~~health-system~~ sector principles; and
- (b) to encourage, support, and maintain community participation in health improvement and service planning; and 5
- (c) to promote health and prevent, reduce, and delay ill-health, including by collaborating with other ~~social-sector~~ agencies, organisations, and individuals to address the determinants of health.

**14 Functions of Health New Zealand** 10

(1) The functions of Health New Zealand are to—

- (a) jointly develop and implement a New Zealand Health Plan with the Māori Health Authority; and
- (b) own and operate services; and
- (c) provide or arrange for the provision of services at a national, regional, and local level; and 15
- (d) develop and implement commissioning frameworks and models for the purpose of **paragraph (c)**; and
- (e) set requirements and specifications for publicly funded services; and
- (f) develop and implement locality plans; and 20
- (fa) undertake health workforce planning; and
- (fb) collaborate with relevant entities to improve the capability and capacity of the health workforce; and
- (g) undertake and promote public health ~~initiatives~~ measures, including commissioning services to deliver public health programmes specified by the Public Health Agency; and 25
- (h) improve service delivery and outcomes for all people at all levels within the ~~health-system~~ publicly funded health sector; and
- (i) collaborate with other ~~providers of social services~~ agencies, organisations, and individuals to improve health and wellbeing outcomes and to address the wider determinants of health outcomes; and 30
- (j) work with the Māori Health Authority when performing any function in **paragraphs (c) to (i)**; and
- (k) contribute to key health documents in **subpart 5**; and
- (l) engage with iwi-Māori partnership boards; and 35
- (m) evaluate the delivery and performance of services provided or funded by Health New Zealand; and

- (n) provide accessible and understandable information to the public ~~on health system performance~~ about services funded by Health New Zealand; and
- (na) undertake and support research relating to health; and
- (o) provide, or arrange for the provision of, services on behalf of the Crown or any Crown entity within the meaning of the Crown Entities Act 2004; and 5
- (p) perform or exercise the functions, duties, and powers conferred or imposed on it by this Act or any other enactment; and
- (q) perform any other functions relevant to its objectives that the responsible Minister directs in accordance with section 112 of the Crown Entities Act 2004. 10
- (2) Health New Zealand must give effect to the GPS and the New Zealand Health Plan when performing its functions.
- (3) In performing any of its functions in relation to the supply of pharmaceuticals, Health New Zealand must not act inconsistently with the pharmaceutical schedule. 15
- 15 Health New Zealand must provide information to iwi-Māori partnership boards**
- Health New Zealand must provide sufficient and timely information to iwi-Māori partnership boards to support them ~~to achieve~~ in achieving their purpose in **section-92 27A**. 20
- 16 Additional collective duties of board of Health New Zealand**
- (1) The board must ensure that Health New Zealand—
- (a) acts in a manner consistent with the GPS and the New Zealand Health Plan; and 25
- (b) works collaboratively with the Māori Health Authority; and
- (c) operates in a financially responsible manner and, for ~~this~~ that purpose, endeavours to cover all its annual costs (including the cost of capital) from its net annual income; and 30
- (d) maintains systems and processes to ensure that Health New Zealand;—
- (i) has the capacity and capability to perform its functions; and
- (ii) ~~when performing any function in relation to Māori,~~ has the capacity and capability to understand te Tiriti o Waitangi (the Treaty of Waitangi), mātauranga Māori, and Māori perspectives of services. 35
- (2) The duties of the board in **subsection (1)** are—

- (a) in addition to its duties in sections 49 to 52 of the Crown Entities Act 2004; and
- (b) collective duties owed to the Minister for the purposes of section 58 of the Crown Entities Act 2004.

### Subpart 3—Māori Health Authority 5

#### **17 Māori Health Authority established**

- (1) The Māori Health Authority is established.
- (2) The Māori Health Authority is an independent statutory entity.

#### **18 Objectives of Māori Health Authority**

The objectives of the Māori Health Authority are to— 10

- (a) ensure that planning and service delivery respond to the aspirations and needs of whānau, hapū, iwi, and Māori in general; and
- (b) design, deliver, and arrange services—
  - (i) to achieve the purpose of this Act in accordance with the health ~~system~~ sector principles; and 15
  - (ii) to achieve the best possible health outcomes for whānau, hapū, iwi, and Māori in general; and
- (c) promote Māori health and prevent, reduce, and delay the onset of ill-health for Māori, including by collaborating with other ~~social sector~~ agencies, organisations, and individuals to address the determinants of Māori health. 20

#### **19 Functions of Māori Health Authority**

- (1) The functions of the Māori Health Authority are to—
  - (a) jointly develop and implement a New Zealand Health Plan with Health New Zealand; and 25
  - (b) own and operate services; and
  - (c) improve service delivery and outcomes for Māori at all levels of the health ~~system~~ sector; and
  - (d) collaborate with other ~~providers of social services~~ agencies, organisations, and individuals to improve health and wellbeing outcomes for Māori and to address the wider determinants of health for Māori; and 30
  - (e) provide accessible and understandable information to Māori on ~~health system performance~~ the performance of the publicly funded health sector; and
  - (f) commission kaupapa Māori services and other services developed for Māori in accordance with the New Zealand Health Plan; and 35

- (g) review locality plans developed by Health New Zealand and participate in the processes set out in **sections 48 and 49**; and
- (ga) undertake and promote public health measures, including commissioning services to deliver public health programmes on its own initiative or in collaboration with the Public Health Agency; and 5
- (h) provide policy and strategy advice to the Minister on matters relevant to hauora Māori; and
- (i) work with Health New Zealand when Health New Zealand performs any function in **section 14(1)(c) to (i)**; and
- (j) contribute to key health documents in **subpart 5**; and 10
- (k) monitor the delivery of hauora Māori services by Health New Zealand and provide public reports on the results of that monitoring; and
- (l) monitor, in co-operation with the Ministry and Te Puni Kōkiri, the performance of the ~~health system~~ publicly funded health sector in relation to hauora Māori; and 15
- (m) support and engage with iwi-Māori partnership boards in accordance with **section 21**; and
- (n) design and deliver programmes for the purpose of improving the capability and capacity of Māori health providers and the Māori health workforce; and 20
- (na) collaborate with relevant entities for the purpose of improving the capability and capacity of the health workforce in relation to hauora Māori; and
- (nb) undertake and support research relating to health; and
- (nc) evaluate the delivery and performance of services provided or funded by the Māori Health Authority; and 25
- (nd) provide, or arrange for the provision of, services on behalf of the Crown or any Crown entity within the meaning of the Crown Entities Act 2004; and
- (o) perform or exercise the functions, duties, and powers conferred or imposed on it by this Act or any other enactment; and 30
- (p) perform any other functions relevant to its objectives that the responsible Minister directs in accordance with section 112 of the Crown Entities Act 2004.
- (2) The Māori Health Authority must give effect to the GPS and the New Zealand Health Plan when performing its functions. 35
- ~~(3) The Māori Health Authority has all the powers necessary to perform its functions.~~

**20 Engaging with and reporting to Māori**

- (1) The Māori Health Authority must—
- (a) have systems in place for the purpose of—
    - (i) engaging with Māori in relation to their aspirations and needs for ~~the health system~~ hauora Māori; and 5
    - (ii) enabling the responses from that engagement to inform the performance of its functions; and
  - (b) engage with relevant Māori organisations when—
    - (i) jointly developing the New Zealand Health Plan with Health New Zealand; and 10
    - (ii) advising on the GPS and any health strategy; and
    - (iii) preparing its statement of intent and statement of performance expectations; and
  - (c) report back to Māori from time to time on how engagement under this section has informed the performance of its functions. 15
- (2) In this section,—
- Māori organisation** includes (without limitation) iwi-Māori partnership boards, iwi and hapū authorities, rūnanga, trust boards, Māori health professionals' organisations, and representatives of whānau and hapū
- relevant Māori organisation** means a Māori organisation that the Māori Health Authority considers relevant for the purpose of the engagement. 20

**21 Māori Health Authority to support and engage with iwi-Māori partnership boards**

The Māori Health Authority must—

- (a) take reasonable steps to support iwi-Māori partnership boards to achieve their purpose in ~~section 92~~ **27A**, including by— 25
  - (i) providing administrative, analytical, or financial support where needed; and
  - (ii) providing sufficient and timely information; and
- (b) ~~engaging~~ engage with iwi-Māori partnership boards when determining priorities for kaupapa Māori investment. 30

**22 Board of Māori Health Authority**

- (1) The board of the Māori Health Authority consists of not fewer than 5, and not more than 8, members.
- (2) When appointing members, the Minister must be satisfied that the board, collectively, has knowledge of, and experience and expertise in relation to,— 35



- (a) te Tiriti o Waitangi (the Treaty of Waitangi), tikanga Māori, and mātauranga Māori; and
  - (b) kaupapa Māori services; and
  - (c) cultural safety and responsiveness of services; and
  - (d) the public funding and provision of services; and 5
  - (e) public sector governance and government processes; and
  - (f) financial management.
- (3) The Minister must appoint a chairperson or 2 co-chairpersons of the board. If co-chairpersons are appointed, the Minister must nominate a co-chairperson to be a member of the board of Health New Zealand. 10
- (4) Sections 28 (other than section 28(1)(b)) and 29 of the Crown Entities Act 2004 apply to the appointment of members of the board of the Māori Health Authority, except that the Minister must consult the Hauora Māori Advisory Committee before appointing any member.
- (5) Section 32(1)(a) and ~~32~~(2) to (4) of the Crown Entities Act 2004 applies to the term of office of members of the board. 15

### 23 Removal of members

- (1) The Minister may at any time remove a member of the board of the Māori Health Authority from office if the Minister—
- (a) considers that the removal is justified for any reason; and 20
  - (b) has consulted the Hauora Māori Advisory Committee and had regard to its views.
- (2) The removal must be made by written notice to the member (with a copy to the Māori Health Authority).
- (3) The notice must— 25
- (a) state the date on which the removal takes effect which must not be earlier than the date on which the notice is received; and
  - (b) state the reasons for the removal.
- (4) The Minister must notify the removal in the *Gazette* as soon as practicable after the notice is given. 30

### 24 Financial operations of Māori Health Authority

The board of the Māori Health Authority must ensure that the Māori Health Authority operates in a financially responsible manner and, ~~for this~~ that purpose, endeavours to cover all its annual costs (including the cost of capital) from its net annual income. 35

- 25 Application of Crown Entities Act 2004 to Māori Health Authority**  
 The following provisions of the Crown Entities Act 2004 apply, subject to this Act and with all necessary modifications, to the Māori Health Authority:
- (a) sections 15, 16, 17 to 35, and 41 to 78; and
  - (b) subpart 3 of Part 2 except section 98(1)(c); and 5
  - (c) Part 3 except sections 104 to 106 and 116; and
  - (d) Part 4; and
  - (e) Schedule 5 except clause 4.
- 26 Application of Public Service Act 2020 to Māori Health Authority**  
 The following provisions of the Public Service Act 2020 apply to the Māori Health Authority: 10
- (a) sections 12 and 13; and
  - (b) subpart 4 of Part 1; and
  - (c) Part 4.
- 27 Application of Public Records Act 2005** 15  
 The Māori Health Authority is a public office for the purposes of the Public Records Act 2005.
- Subpart 3A—Iwi-Māori partnership boards
- 27A Purpose of iwi-Māori partnership boards** 20  
The purpose of iwi-Māori partnership boards is to represent local Māori perspectives on—
- (a) the needs and aspirations of Māori in relation to hauora Māori outcomes; and
  - (b) how the health sector is performing in relation to those needs and aspirations; and 25
  - (c) the design and delivery of services and public health interventions within localities.
- 27B Functions of iwi-Māori partnership boards**
- (1) An iwi-Māori partnership board has the following functions:
- (a) to engage with whānau and hapū about local health needs, and communicate the results and insights from that engagement to Health New Zealand and the Māori Health Authority; 30
  - (b) to evaluate the current state of hauora Māori in the relevant locality for the purpose of determining priorities for improving hauora Māori;

- (c) to work with Health New Zealand and the Māori Health Authority in agreeing to locality plans for a relevant locality;
- (d) to monitor the performance of the health sector in a relevant locality;
- (e) to engage with the Māori Health Authority and support its stewardship of hauora Māori and its priorities for kaupapa Māori investment and innovation; 5
- (f) to report on the activities of the Māori Health Authority to Māori within the area covered by the iwi-Māori partnership board;
- (g) to nominate members for appointment to the Hauora Māori Advisory Committee. 10
- (2) In this section, **relevant locality** means the locality or localities within the area covered by an iwi-Māori partnership board.
- 27C Recognition of iwi-Māori partnership boards**
- (1) The criteria for recognition of an organisation as an iwi-Māori partnership board are as follows: 15
- (a) the boundaries of the area covered by the organisation (the **area**) do not overlap with the boundaries of any area covered by any iwi-Māori partnership board; and
- (b) the organisation has taken reasonable steps to engage with Māori communities and groups that— 20
- (i) are present in the area; or
- (ii) have interests in the area; and
- (c) the organisation’s constitutional and governance arrangements demonstrate that—
- (i) the organisation has the capacity and capability to perform its functions as an iwi-Māori partnership board; and 25
- (ii) the organisation will engage with, and represent the views of, Māori within the area; and
- (iii) Māori communities and groups in the area can hold the organisation accountable for the performance of its functions in relation to the area; and 30
- (d) the area is consistent with the effective functioning of iwi-Māori partnership boards as a whole.
- (2) The membership of an iwi-Māori partnership board—
- (a) must be determined by the board after it has complied with **subsection (1)(b)** and the applicable requirements of its constitutional and governance arrangements; and 35
- (b) may be varied by the board in the same way.

- (3) An iwi-Māori partnership board may determine its own procedures.
- (4) If an organisation wishes to be recognised as an iwi-Māori partnership board,—
- (a) it must notify the Māori Health Authority; and
  - (b) the Māori Health Authority must, if satisfied that the criteria in **subsection (1)** have been met, advise the Minister accordingly; and 5
  - (c) the Minister must recommend the making of an Order in Council under **subsection (7)(a)**.
- (5) If 2 or more iwi-Māori partnership boards agree to vary or merge their boundaries,— 10
- (a) they must notify the Māori Health Authority; and
  - (b) the Māori Health Authority must, if satisfied that the criteria in **subsection (1)** have been met, advise the Minister accordingly; and
  - (c) the Minister must recommend the making of an Order in Council under **subsection (7)(b)**. 15
- (6) If the Māori Health Authority is satisfied that an iwi-Māori partnership board no longer meets the criteria in **subsection (1)** and that it is unlikely that the iwi-Māori partnership board will be able to meet the criteria within a reasonable period of time,—
- (a) the Māori Health Authority must advise the Minister accordingly; and 20
  - (b) the Minister must recommend the making of an Order in Council under **subsection (7)(c)**.
- (7) The Governor-General may, by Order in Council, on the recommendation of the Minister made only on the advice of the Māori Health Authority, amend **Schedule 3** for the purpose of— 25
- (a) recognising an organisation as an iwi-Māori partnership board; or
  - (b) giving effect to an agreement to a variation or merger referred to in **subsection (5)**; or
  - (c) removing an iwi-Māori partnership board from **Schedule 3** pursuant to **subsection (6)** or at the request of that iwi-Māori partnership board; or 30
  - (d) making any minor or consequential changes.
- (8) An organisation listed in column 1 of **Schedule 3** is recognised as the iwi-Māori partnership board for the corresponding area described in column 2 of **Schedule 3**.
- (9) An Order in Council made under this section is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements). 35

## Subpart 4—Disputes

- 28 Disputes between Health New Zealand, ~~and~~ Māori Health Authority, and others**
- (1) If Health New Zealand and the Māori Health Authority disagree on a matter that they are ~~required~~ expected under this Act to work together on, jointly develop, or agree,— 5
- (a) either party may give written notice to the other party that ~~they wish it wishes~~ wishes to resolve the dispute in accordance with this section; and
- (b) as soon as practicable after a party has received written notice, the ~~chief executives~~ representatives of each party must meet and use their best endeavours to resolve the dispute. 10
- (1A) If Health New Zealand, the Māori Health Authority, and an iwi-Māori partnership board (the **parties**) do not agree on a locality plan or an annual report on a locality plan,—
- (a) a party may give written notice to each other party that it wishes to resolve the dispute in accordance with this section; and 15
- (b) as soon as practicable after those parties have received written notice, the representatives of each party must meet and use their best endeavours to resolve the dispute.
- (2) The parties— 20
- (a) must refer the dispute to the Minister if they have not resolved it within 20 working days after the date on which a party (or the parties) received written notice under **subsection (1)(a) or (1A)(a)**; or
- (b) may refer the dispute to the Minister earlier if they agree.
- (3) The Minister may determine the dispute or a process to resolve the dispute and, for that purpose, may require any party to provide information to the Minister. 25
- (3A) However, the Minister must, before acting under **subsection (3)**, consult the Minister for Māori Development or the Minister for Māori Crown Relations—Te Arawhiti, as the Minister considers appropriate, depending on the nature of the dispute. 30
- (4) The parties must comply with the Minister’s determination or the process determined by the Minister and its outcome.

## Subpart 5—Key health documents

- 29 Overview of important health documents**
- (1) This subpart requires— 35
- ~~(a) the Minister to issue a Government Policy Statement that sets out the Government’s priorities and objectives for the health system;~~

- (b) ~~the Minister to determine the following strategies for improving the health status of New Zealanders:~~
- (i) ~~New Zealand Health Strategy:~~
  - (ii) ~~Hauora Māori Strategy:~~
  - (iii) ~~Pacific Health Strategy:~~ 5
  - (iv) ~~Disability Health Strategy:~~
- (a) the Minister to determine the following strategies for improving the health status of New Zealanders:
- (i) New Zealand Health Strategy:
  - (ii) Hauora Māori Strategy: 10
  - (iii) Pacific Health Strategy:
  - (iv) Health of Disabled People Strategy:
  - (v) Women’s Health Strategy:
- (b) the Minister to issue a Government Policy Statement that sets out the Government’s priorities and objectives for the publicly funded health sector: 15
- (c) Health New Zealand and the Māori Health Authority to develop, for the Minister’s approval, a New Zealand Health Plan based on population health needs:
- (d) ~~the Minister to approve the New Zealand Health Plan:~~ 20
- (e) Health New Zealand, ~~and the Māori Health Authority~~, and relevant iwi-Māori partnership boards to approve ~~agree to~~ locality plans for localities:
- (f) ~~the Minister to determine a New Zealand Health Charter to guide health entities and their workers:~~
- (g) ~~the Minister to determine a Code of Consumer Participation to support consumer participation and enable the consumer to be voice to heard.~~ 25
- (f) Health New Zealand and the Māori Health Authority to facilitate the making of a New Zealand Health Charter:
- (g) the Health Quality and Safety Commission to develop a code of expectations of consumer and whānau engagement in the health sector. 30
- (2) This section is intended as a guide only.

*Government Policy Statement on Health*

**30 GPS**

- (1) ~~The Minister must issue a GPS at intervals of no more than 3 years apart.~~
- (2) ~~The purpose of the GPS is to —~~ 35
- (a) ~~set priorities for the health system; and~~

- (b) ~~set clear parameters for the development of the New Zealand Health Plan.~~
- (3) ~~The GPS—~~
- (a) ~~must cover a period of at least 3 consecutive financial years; and~~
- (b) ~~expires on the close of the third consecutive financial year to which it applies.~~ 5
- (4) ~~The Minister must issue the GPS before the start of the first financial year to which it applies.~~
- (5) ~~This Minister must issue the first GPS no later than 2 years after the commencement of this Act.~~ 10
- 31 Preparation of GPS**
- ~~When preparing a GPS, the Minister must—~~
- (a) ~~be satisfied that the GPS contributes to the purpose of this Act; and~~
- (b) ~~have regard to, but is not bound by, any health strategy; and~~
- (c) ~~consult with Health New Zealand and the Māori Health Authority and have regard to their views; and~~ 15
- (d) ~~engage with organisations and individuals that the Minister considers appropriate.~~
- 32 Content of GPS**
- (1) ~~The GPS must include the following:~~ 20
- (a) ~~the Government's priorities and objectives for the health system;~~
- (b) ~~how the Government expects health entities to meet the Government's priorities and objectives for the health system;~~
- (c) ~~the Government's priorities in relation to Māori, which must include the following priorities:~~ 25
- (i) ~~improving health outcomes for Māori; and~~
- (ii) ~~engaging with Māori;~~
- (d) ~~the Government's priorities for improving health outcomes for Pacific people, disabled people, rural communities, and other populations;~~
- (e) ~~a framework for regular monitoring of progress and reporting requirements.~~ 30
- (2) ~~The GPS may include any other matters the Minister considers relevant.~~
- (3) ~~To avoid doubt, the GPS may not impose an obligation on any health entity to approve or decline funding for a particular product, service, or provider.~~

**33 ~~GPS must be made available~~**

- (1) ~~As soon practicable after issuing a GPS, the Minister must present a copy of the GPS to the House of Representatives.~~
- (2) ~~The GPS must be made publicly available as soon as practicable after it is issued.~~

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**34 ~~Status of GPS~~**

- (1) ~~A GPS is not a direction for the purposes of Part 3 of the Crown Entities Act 2004.~~
- (2) ~~**Sections 30 to 35** do not limit other provisions relating to directions in the Crown Entities Act 2004.~~

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**35 ~~Health entities must give effect to GPS~~**

~~A health entity must give effect to the GPS to the extent it is relevant to its functions and subject to any applicable directions under section 103 of the Crown Entities Act 2004.~~

**36 ~~Amending GPS~~**

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- (1) ~~The Minister may amend the GPS at any time.~~
- (2) ~~**Sections 31 and 33** do not apply to an amendment to the GPS if the Minister considers the amendment is not significant.~~

*Health strategies***37 ~~New Zealand Health Strategy~~**

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- (1) The Minister must prepare and determine a New Zealand Health Strategy.
- (2) The purpose of the New Zealand Health Strategy is to provide a framework to guide ~~the health system~~ health entities in protecting, promoting, and improving people's health and wellbeing.
- (3) The New Zealand Health Strategy must—
- (a) contain an assessment of the current state of health outcomes and health ~~system~~ sector performance; and
- (b) contain an assessment of the medium and long-term trends and risks that will ~~impact on~~ affect health outcomes and health ~~system~~ sector performance in the next 5 to 10 years; and
- (c) set out opportunities and priorities for improving the health ~~system~~ sector over at least the next 5 to 10 years, including workforce development.
- (4) ~~**Subsection (3)** does not limit what may be included in the New Zealand Health Strategy.~~

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**38 Hauora Māori Strategy**

- (1) The Minister must ~~prepare and~~ determine a Hauora Māori Strategy.
- (1A) The Ministry and the Māori Health Authority must jointly prepare the Hauora Māori Strategy for the Minister’s determination.**
- (2) The purpose of the Hauora Māori Strategy is to provide a framework to guide ~~the health system~~ health entities in improving Māori health outcomes. 5
- (3) The Hauora Māori Strategy must—
- (a) contain an assessment of the current state of Māori health outcomes and the performance of the ~~health system~~ sector in relation to Māori; and
  - (b) contain an assessment of medium to long-term trends that will affect hauora Māori and ~~health system~~ sector performance; and 10
  - (c) set out priorities for services and ~~health system~~ sector improvements relating to hauora Māori, including workforce development.
- (4) **Subsection (3)** does not limit what may be included in the Hauora Māori Strategy. 15

**39 Pacific Health Strategy**

- (1) The Minister must prepare and determine a Pacific Health Strategy.
- (2) The purpose of the Pacific Health Strategy is to provide a framework to guide ~~the health system~~ health entities in improving Pacific health outcomes in New Zealand. 20
- (3) The Pacific Health Strategy must—
- (a) contain an assessment of the current state of Pacific health outcomes and the performance of the ~~health system~~ sector in relation to Pacific peoples; and
  - (b) contain an assessment of the medium and long-term trends that will affect Pacific health and ~~health system~~ sector performance; and 25
  - (c) set out priorities for services and ~~health system~~ sector improvements relating to Pacific health, including workforce development.
- (4) **Subsection (3)** does not limit what may be included in the Pacific Health Strategy. 30
- (5) In this section, **Pacific health** means the health of Pacific peoples.

**40 ~~Disability~~ Health of Disabled People Strategy**

- (1) The Minister must prepare and determine a ~~Disability~~ Health of Disabled People Strategy.
- (2) The purpose of the ~~Disability~~ Health of Disabled People Strategy is to provide a framework to guide ~~the health system~~ health entities in improving health outcomes for disabled people and their families and whānau. 35
- (3) The ~~Disability~~ Health of Disabled People Strategy must—

- (a) contain an assessment of the current state of health outcomes for disabled people and the performance of the ~~health-system~~ sector in relation to disabled people and their families and whānau; and
- (b) contain an assessment of the medium and long-term trends that will affect the health of disabled people and ~~health-system~~ sector performance; and 5
- (c) set out priorities for services and ~~health-system~~ sector improvements relating to the health of disabled people, including workforce development.
- (4) **Subsection (3)** does not limit what may be included in the ~~Disability~~ Health of Disabled People Strategy. 10

#### **40A Women's Health Strategy**

- (1) The Minister must prepare and determine a Women's Health Strategy.
- (2) The purpose of the Women's Health Strategy is to provide a framework to guide health entities in improving health outcomes for women. 15
- (3) The Women's Health Strategy must—
- (a) contain an assessment of the current state of health outcomes for women and the performance of the health sector in relation to women; and
- (b) contain an assessment of the medium and long-term trends that will affect the health of women and health sector performance; and 20
- (c) set out priorities for services and health sector improvements relating to the health of women, including workforce development.
- (4) **Subsection (3)** does not limit what may be included in the Women's Health Strategy. 25

#### **41 Process for making health strategy** 25

- (1) When preparing a health strategy, the Minister must—
- (a) have regard to any advice from the Māori Health Authority; and
- (aa) when making a new health strategy, have regard to current strategies; and
- (b) consult health entities ~~or groups,~~ individuals, and organisations that the Minister considers are reasonably likely to be affected by the health strategy. 30
- (2) The Minister must present the health strategy to the House of Representatives as soon practicable after it has been made.
- (3) The health strategy must be made publicly available as soon as practicable after it is made. 35

**42 Review and progress of health strategy**

The Minister must—

- (a) regularly monitor and review all health strategies; and
- (b) assess how the health ~~system~~ sector has performed against the health strategies.

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**43 Health entities must have regard to health strategies**

A health entity must have regard to all health strategies—

- (a) when exercising its powers or performing its functions or duties; and
- (b) to the extent that ~~the~~ each health strategy is relevant to those powers, functions, or duties.

10

*Government Policy Statement on Health***43A GPS**

(1) The Minister must issue a GPS at intervals of no more than 3 years apart.

(2) The purpose of the GPS is to—

- (a) set priorities for the publicly funded health sector; and
- (b) set clear parameters for the development of the New Zealand Health Plan.

15

(3) The GPS priorities for the publicly funded health sector must, where appropriate, specify measurable outcomes, including outcomes that are culturally specific.

20

(4) The GPS—

- (a) must cover a period of at least 3 consecutive financial years; and
- (b) expires on the close of the third consecutive financial year to which it applies.

(5) The Minister must issue the GPS before the start of the first financial year to which it applies.

25

(6) The Minister must issue the first GPS no later than 2 years after the commencement of this Act.

**43B Preparation of GPS**

When preparing a GPS, the Minister must—

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- (a) be satisfied that the GPS contributes to the purpose of this Act; and
- (b) have regard to, but is not bound by, any health strategy; and
- (c) consult Health New Zealand and the Māori Health Authority and have regard to their views; and

- (d) engage with organisations and individuals that the Minister considers appropriate.

### **43C Content of GPS**

- (1) The GPS must include the following:

- (a) the Government’s priorities and objectives for the publicly funded health sector: 5
- (b) how the Government expects health entities to meet the Government’s priorities and objectives for the publicly funded health sector:
- (c) the Government’s priorities for engaging with, and improving health outcomes for, Māori: 10
- (d) the Government’s priorities for improving health outcomes for Pacific people, disabled people, women, rural communities, and other populations:
- (e) a framework for regular monitoring of progress and reporting requirements. 15

- (2) The GPS may include any other matters the Minister considers relevant.

- (3) To avoid doubt, the GPS may not impose an obligation on any health entity to approve or decline funding for a particular product, service, or provider.

### **43D GPS must be made available**

- (1) As soon as practicable after issuing a GPS, the Minister must present a copy of the GPS to the House of Representatives. 20
- (2) The GPS must be made publicly available as soon as practicable after it is issued.

### **43E Status of GPS**

- (1) A GPS is not a direction for the purposes of Part 3 of the Crown Entities Act 2004. 25
- (2) **Sections 43A to 43F do not limit other provisions relating to directions in the Crown Entities Act 2004.**

### **43F Health entities must give effect to GPS**

- A health entity must give effect to the GPS to the extent it is relevant to its functions and subject to any applicable directions under section 103 of the Crown Entities Act 2004. 30

### **43G Amending GPS**

- (1) The Minister may amend the GPS at any time.
- (2) **Sections 43B to 43D do not apply to an amendment to the GPS if the Minister considers the amendment is not significant.** 35

*New Zealand Health Plan*

**44 New Zealand Health Plan**

- (1) Health New Zealand and the Māori Health Authority must jointly develop a New Zealand Health Plan.
- (2) The purpose of the plan is to provide a 3-year costed plan for the delivery of publicly-funded services by Health New Zealand and the Māori Health Authority. 5
- (3) The plan must give effect to the GPS.
- (4) In developing the plan, Health New Zealand and the Māori Health Authority must also take into account— 10
- (a) the functions and services of other health entities and government agencies that contribute to improving health outcomes; and
  - (b) ~~the role~~ roles of the Cancer Control Agency, the Health and Disability ~~Commissioner~~ Commission, the Health Research Council, the Mental Health and Wellbeing Commission, and the Ministry (including the Public Health Agency) ~~within the health system;~~ and 15
  - (c) the functions and services of non-government agencies; and
  - (d) the preferences and priorities specified in locality plans.

**45 Content of New Zealand Health Plan**

- The New Zealand Health Plan must— 20
- (a) contain an assessment of population health needs; and
  - (b) identify—
    - (i) desired improvements in health outcomes (**desired improvements**); and
    - (ii) priorities for the desired improvements; and 25
  - (ba) specify, where appropriate, measurable outcomes for those priorities, including outcomes that are culturally specific; and
  - (c) describe how ~~the health system~~ health entities will deliver service and investment changes to achieve the desired improvements, including—
    - (i) how Health New Zealand and the Māori Health Authority will provide and commission services to achieve the desired improvements; and 30
    - (ii) how other health entities will contribute to achieving the desired improvements; and
  - (d) describe how the matters referred to in **section 44(4)** have been taken into account; and 35

- (e) describe how ~~other~~ government agencies, non-government agencies, organisations, and individuals will contribute to achieving the desired improvements; and
- (f) set out—
- (i) key services and activities to be delivered; and 5
- (ii) key performance measures; and
- (g) set out how Health New Zealand and the Māori Health Authority—
- (i) will achieve the purpose of this Act; and
- (ii) will engage with Māori, ~~and~~ protect Māori interests and aspirations, and empower Māori to improve their health; and 10
- (iii) have been guided by the health-~~system~~ sector principles in the development and content of the New Zealand Health Plan; and
- (h) set out any other matters the Minister directs.
- 46 Report of performance against New Zealand Health Plan Reports**
- (1) Health New Zealand and the Māori Health Authority must jointly prepare an annual performance report against the New Zealand Health Plan. 15
- (1A) The report must—**
- (a) provide an assessment of the performance of Health New Zealand and the Māori Health Authority against outcomes specified in the New Zealand Health Plan; and** 20
- (b) include in the assessment an evaluation—**
- (i) of any new interventions or services for Māori health that either health entity has provided or funded; and**
- (ii) that is conducted in accordance with culturally relevant evaluation methods; and** 25
- (c) be submitted to the Minister after it has been audited by the Auditor-General.**
- (2) The report must, as soon as practicable after it is made,—
- (a) be presented to the House of Representatives; and
- (b) be made publicly available. 30
- 47 Process for preparing New Zealand Health Plan**
- (1) In preparing the New Zealand Health Plan, Health New Zealand and the Māori Health Authority must engage with—
- (a) the Ministry; and
- (b) other health entities; and 35
- (c) individuals and organisations that Health New Zealand and the Māori Health Authority consider appropriate.

- (1A) The plan must be submitted to the Minister after it has been audited by the Auditor-General.
- (2) The plan is made when the Minister approves it.
- (3) **Subsection (1)(a) to (c)** does not apply to any amendments to the plan that do not have a significant impact on consumers or providers of services (other than ~~the boards of~~ Health New Zealand and the Māori Health Authority). 5
- (4) The plan must, as soon as practicable after it is made,—
- (a) be presented to the House of Representatives; and
  - (b) be made publicly available.

*Localities and locality plans* 10

**48 Determination of localities**

- (1) Health New Zealand must determine, with the agreement of the Māori Health Authority, geographically defined areas (**localities**) for the purpose of arranging services.
- (1A) Before determining a locality, Health New Zealand and the Māori Health Authority must consult relevant local authorities and iwi-Māori partnership boards. 15
- (2) Health New Zealand must ensure that—
- (a) all of New Zealand is covered by a locality; and
  - (b) the boundary of a locality is, subject to **subsection (2A)**, consistent with any regional arrangement specified in regulations made under **section 97**; and 20
  - (c) a list of all localities (including their geographical areas) is made publicly available.
- (2A) **Subsection (2)(b)** does not apply if Health New Zealand and the Māori Health Authority are satisfied that there are exceptional circumstances and have consulted relevant local authorities and iwi-Māori partnership boards. 25
- (3) Health New Zealand may, with the agreement of the Māori Health Authority, amend the number or boundaries of any localities at any time, as long as the requirements in ~~**subsection-subsections (1A) and (2)**~~ are met. 30

**49 Locality plans**

- (1) Health New Zealand must develop a locality plan for each locality.
- (2) A locality plan must—
- (a) set out the priority outcomes and services for the locality; and
  - (b) state the plan's duration, which must, as a minimum, be 3 consecutive financial years; and 35

- (c) give effect to the relevant requirements of the New Zealand Health Plan; and
- (d) include a statement of progress against the priority outcomes set out in the previous locality plan, unless it is the first locality plan for that locality. 5
- (3) In developing a locality plan for a locality, Health New Zealand must—
- (a) consult consumers ~~or~~ and communities within the locality; and
- (aa) consult local authorities affected by the locality plan; and
- (b) consult social sector agencies and other entities that contribute to relevant population outcomes within the locality; and 10
- (c) ~~consult~~ engage with—
- (i) the Māori Health Authority; and
- (ii) iwi-Māori partnership boards for the area covered by the plan; and
- (iii) ~~any other individual or group that Health New Zealand considers appropriate.~~ 15
- (d) consult any other individual or group that Health New Zealand considers appropriate.
- (4) A locality plan is made—
- (a) when it is agreed to by Health New Zealand, ~~and~~ the Māori Health Authority, and the relevant iwi-Māori partnership board or boards; or 20
- (b) if **section 28** applies, when it is made in accordance with **section 28(4).**
- (5) Health New Zealand and the Māori Health Authority must prepare an annual report assessing progress against the priority outcomes set out in the locality plan. 25
- (6) The report is made when it is agreed to by Health New Zealand, the Māori Health Authority, and the relevant iwi-Māori partnership board or boards.
- (7) The report must, as soon as practicable after it is made, be made publicly available.

*New Zealand Health Charter* 30

**50 ~~Minister must determine~~ New Zealand Health Charter**

- (1) ~~The Minister must determine a New Zealand Health Charter.~~
- (2) ~~The purpose of the charter is provide common values, principles, and behaviours to guide health entities and their workers.~~
- (3) ~~To avoid doubt, nothing in this section affects the role of responsible authorities under the Health Practitioners Competence Assurance Act 2003 in setting and enforcing minimum standards for health practitioners.~~ 35



- (1) For the purpose of supporting the achievement of the health sector principles, a New Zealand Health Charter must be made in accordance with **section 52**.
- (2) The charter is a statement of the values, principles, and behaviours that workers throughout the health sector are expected to demonstrate—
- (a) collectively, at an organisational level; and 5
- (b) individually.
- (3) To avoid doubt, nothing in this section affects—
- (a) the role of responsible authorities under section 118 of the Health Practitioners Competence Assurance Act 2003; and
- (b) existing professional codes and obligations. 10

#### **51 ~~Health entities must have regard to charter~~**

~~A health entity must—~~

- (a) ~~have regard to the New Zealand Health Charter when planning for and contracting services; and~~
- (b) ~~report annually on how it has given effect to the charter.~~ 15

#### **52 Making of charter**

- (1) ~~In preparing the New Zealand Health Charter, the Minister must~~ Health New Zealand and the Māori Health Authority must facilitate the making of the charter and, for that purpose, engage with—
- (a) health entities; and 20
- (aa) organisations and workers involved in delivering publicly funded services; and
- (b) organisations that, ~~in the Minister's opinion~~ in their opinion, are representative of the interests of workers who work for health entities or organisations or workers described in **paragraph (aa)**; and 25
- (c) Māori health professional organisations.
- (2) The charter is made when the Minister ~~approves~~ endorses it.
- (3) The charter must, as soon as practicable after it is made,—
- (a) be presented to the House of Representatives; and
- (b) be made publicly available. 30

#### **52A Report on charter**

- (1) Health New Zealand and the Māori Health Authority must, at least once every 5 years,—
- (a) prepare a report on how the New Zealand Health Charter has been given effect throughout the health sector; and 35
- (b) include in the report any recommendations for changes to the charter.

- (2) The report must, as soon as practicable after it is made,—
- (a) be presented to the House of Representatives; and
- (b) be made publicly available.

*Consumer and whānau engagement ~~participation~~*

**53 ~~Code of Consumer Participation~~ for consumer and whānau engagement in health sector** 5

- (1) The HQSC must develop a ~~Code of Consumer Participation~~ code of expectations for consumer and whānau engagement in the health sector.
- (2) The code must ~~contain principles~~ state expectations for the purpose of supporting consumer ~~participation and~~ and whānau engagement in the health sector ~~and for enabling the consumer voice~~ consumer and whānau voices to be heard. 10
- (3) The code is made when the Minister approves it.
- (4) The code must, as soon as practicable after it is made,—
- (a) be presented to the House of Representatives; and
- (b) be made publicly available. 15

**54 ~~Health entities must act in accordance with code~~ Code of Consumer Participation**

- (1) A health entity must act in accordance with the code approved under **section 53** ~~Code of Consumer Participation~~ when engaging with consumers and whānau. 20
- (2) A health entity must report annually on how it has given effect to the code.

Subpart 6—Ministerial powers

**55 Minister may appoint Crown observers**

- (1) The Minister may make an appointment under this section if—
- (a) the Minister considers it desirable for the purpose of assisting in improving the performance of Health New Zealand or the Māori Health Authority; and 25
- (b) in the case of an appointment to the Māori Health Authority, the Hauora Māori Advisory Committee ~~agrees~~ is consulted.
- (2) The Minister may— 30
- (a) appoint 1 or more persons to be a Crown observer of Health New Zealand or the Māori Health Authority (as the case may be); and
- (b) require the Crown observer to attend—
- (i) any board meeting or board committee meeting of the health entity; or 35

- (ii) any executive level meeting of the health entity at a national or regional level.
- (3) The person in charge of a meeting described in **subsection (2)(b)** must—
- (a) permit the Crown observer to attend; and
- (b) provide the Crown observer with copies of all notices, documents, and other information that are provided to those attending the meeting. 5
- (4) The Crown observer’s functions are to—
- (a) observe the meeting’s decisions and decision-making processes; and
- (b) assist those at the meeting in understanding the policies and wishes of the Government so that they can be appropriately reflected in decisions of the meeting; and 10
- (c) advise the Minister on any matter relating to the health entity or the board, or its performance.
- (5) The appointment of a person as a Crown observer is on terms and conditions agreed between the Minister and the person. 15
- (6) A Crown observer may provide to the Minister any information, other than personal information, that the Crown observer obtains in the course of acting as such.
- (7) **Subsection (6)** is subject to the Privacy Act 2020. 20  
Compare: 2000 No 91 s 30

## 56 Minister may dismiss board or appoint commissioner

- (1) If the Minister is seriously dissatisfied with the performance of the board of Health New Zealand or the Māori Health Authority, the Minister may, by written notice, dismiss all members of the board.
- (2) The Minister may, by written notice, appoint a commissioner to replace the board of Health New Zealand or the Māori Health Authority if— 25
- (a) all the members of the board are removed from office under **subsection (1)** or the Crown Entities Act 2004; and
- (b) in the case of an appointment replacing the board of the Māori Health Authority, the Hauora Māori Advisory Committee ~~agrees~~ is consulted. 30
- (3) A commissioner has all the functions, duties, powers, and protections of the board and of a member of the board.
- (4) A commissioner may appoint, on any terms and conditions that may be agreed, up to 3 deputy commissioners, each of whom must be a person who would be eligible to be appointed by the Minister to the board. 35
- (5) The Minister may at any time, by written notice, dismiss a commissioner from office.

- (6) A commissioner may at any time, by written notice, dismiss a deputy commissioner from office with the agreement of the Minister.
- (7) All the provisions of this Act and the Crown Entities Act 2004 that apply to appointed members of a board apply, with any necessary modifications, to a commissioner and a deputy commissioner. 5
- (8) To avoid doubt, a member of the board of Health New Zealand referred to in **section 12(4)(a)** is a member of that board for the purpose of **subsection (1)**.

Compare: 2000 No 91 s 31

**56A Minister may appoint Crown manager for Health New Zealand** 10

- (1) This section applies if the Minister believes on reasonable grounds that there is a risk to the operation or long-term viability of Health New Zealand.
- (2) The Minister may, by notice in the *Gazette*, appoint a Crown manager for Health New Zealand.
- (3) The Minister may not appoint a Crown manager unless the Minister— 15
- (a) gives Health New Zealand written notice (with reasons) of the Minister’s intention to appoint a Crown manager; and
- (b) allows Health New Zealand reasonable time (as specified in the notice) to respond to the notice; and
- (c) considers any written submissions received within the specified time from Health New Zealand. 20
- (4) Whether a time is reasonable in any particular case may depend (among other things) on the urgency of the matters the Crown manager must deal with.
- (5) The notice appointing a Crown manager must state—
- (a) the name of the Crown manager and the day on which their appointment takes effect; and 25
- (b) the functions of Health New Zealand that are to be performed by the Crown manager; and
- (c) any conditions subject to which the Crown manager must perform those functions; and 30
- (d) any matters about which the Crown manager must advise Health New Zealand.
- (6) While there is a Crown manager appointed for Health New Zealand,—
- (a) the Crown manager may perform any of the functions stated in the notice, and,— 35
- (i) for that purpose, the Crown manager has all the powers of Health New Zealand; and

- (ii) in performing any of those functions (and exercising any of those powers in order to do so), the Crown manager must comply with all relevant duties of Health New Zealand; and
- (b) Health New Zealand—
- (i) may not perform any of those functions; and 5
- (ii) must provide the information and access and do all other things reasonably necessary to enable the Crown manager to perform those functions and exercise those powers.
- (7) The Crown manager must perform any function under **subsection (6)(a)** (and exercise any power in order to do so) in accordance with this Act. 10
- (8) Health New Zealand must pay the Crown manager’s reasonable fees and expenses.
- (9) If the Crown manager’s appointment has not been revoked earlier, the Minister must consider whether the reasons for the appointment still apply—
- (a) no later than 12 months after it was made; or 15
- (b) no later than 12 months after the Minister last considered whether they still apply.

Compare: 2020 No 38 s 334

## 57 Improvement plan

- (1) If the Minister believes on reasonable grounds it is necessary to improve the performance of a health entity, the Minister may, by written notice to the health entity,— 20
- (a) identify any areas within the functions of the health entity that require improvement; and
- (b) explain why the Minister believes those areas require improvement; and 25
- (c) require the health entity to prepare an improvement plan for the Minister’s approval.
- (2) The Minister may approve the plan if satisfied that the plan addresses the areas identified in the notice.
- (3) The health entity must implement the improvement plan within any time-frame specified in the plan. 30
- (4) The health entity must make the improvement plan publicly available as soon as practicable after it is approved.

## 58 Provision of information

- (1) The Minister of Finance may, by written notice, require a health entity to— 35
- (a) provide economic or financial forecasts or other economic or financial information relating to the health entity or any or all of its subsidiaries specified in the notice; and

- (b) provide that information to the Minister or any person or class of person specified in the notice.
- (2) A health entity must comply with a requirement under **subsection (1)**.
- (3) No requirement under this section may require the supply of any information that would breach the privacy of any natural person or deceased natural person, unless the person (or a representative of the deceased person) has consented to the supply. 5
- (4) **Subsection (1)** does not limit sections 133 and 134 of the Crown Entities Act 2004.
- (5) **Subsection (2)** applies despite section 134 of the Crown Entities Act 2004. 10
- ~~Compare: 44~~

### 59 Restrictions on directions under section 103 of Crown Entities Act 2004

- (1) No direction may be given to the Māori Health Authority under section 103 of the Crown Entities Act 2004 unless it relates to improving equity of access and outcomes for Māori. 15
- (2) No direction may be given to Pharmac under section 103 of the Crown Entities Act 2004 that would—
- (a) require Pharmac to purchase a pharmaceutical from a particular source or at a particular price; or
- (b) provide any pharmaceutical or pharmaceutical subsidy or other benefit to a named individual. 20
- (3) No direction may be given to NZBOS under section 103 of the Crown Entities Act 2004 unless it concerns—
- (a) NZBOS’s role in providing oversight and clinical governance of the organ donation system and in providing support to the transplantation system; or 25
- (b) protecting the gift status, donation, collection, processing, and supply of blood or controlled human substances (as defined in section 55 of the Human Tissue Act 2008); or
- (c) withdrawal of contaminated blood or contaminated controlled human substances from supply. 30

## Part 3

### Other roles

#### Subpart 1—Pharmac

- 60 Pharmac** 35
- (1) There continues to be a Pharmaceutical Management Agency (**Pharmac**).

- (2) Pharmac is the same organisation that, immediately before the commencement of this section, was known as Pharmac.
- (3) Pharmac is a Crown entity for the purposes of section 7 of the Crown Entities Act 2004.
- (4) The Crown Entities Act 2004 applies to Pharmac except to the extent that this Act expressly provides otherwise. 5
- 61 Objectives of Pharmac**
- (1) The objectives of Pharmac are—
- (a) to secure for eligible people in need of pharmaceuticals, the best health outcomes that are reasonably achievable from pharmaceutical treatment and from within the amount of funding provided; and 10
- (b) any other objectives it is given by or under any enactment, or authorised to perform by the Minister by written notice to the board of Pharmac after consultation with it.
- (2) In this section, **eligible people** means people belonging to a class specified in regulations made under **section 97** as being eligible to receive services funded under this Act. 15
- 62 Functions of Pharmac**
- (1) The functions of Pharmac are—
- (a) to maintain and manage a pharmaceutical schedule that applies consistently throughout New Zealand, including determining eligibility and criteria for the provision of subsidies; and 20
- (b) to manage incidental matters arising out of **paragraph (a)**, including in exceptional circumstances providing for subsidies for the supply of pharmaceuticals not on the pharmaceutical schedule; and 25
- (c) to engage as it sees fit, but within its operational budget, in research to meet the objectives set out in **section 61(1)(a)**; and
- (d) to promote the responsible use of pharmaceuticals; and
- (e) to perform any other functions it is for the time being given under any enactment, or authorised to perform by the Minister by written notice to the board of Pharmac after consultation with it. 30
- (2) Pharmac must perform its functions within the amount of funding provided to it and in accordance with its statement of intent (including the statement of forecast service performance) and (subject to **section 59**) any directions given under the Crown Entities Act 2004. 35
- 63 Pharmac to consult in implementing objectives and performing functions**
- In performing its functions, Pharmac must, when it considers it appropriate to do so,—

- (a) consult on matters that relate to the management of pharmaceutical expenditure with any sections of the public, groups, or individuals that, in the view of Pharmac, may be affected by decisions on those matters; and
- (b) take measures to inform the public, groups, and individuals of Pharmac’s decisions concerning the pharmaceutical schedule. 5
- 64 Board of Pharmac to ensure advisory committees**
- (1) The board of Pharmac must ensure that there are the following advisory committees under clause 14(1)(a) of Schedule 5 of the Crown Entities Act 2004:
- (a) a pharmacology and therapeutics advisory committee to provide objective advice to Pharmac on pharmaceuticals and their benefits: 10
- (b) a consumer advisory committee to provide input from a consumer or patient point of view.
- (2) Despite clause 14(1)(a) of Schedule 5 of the Crown Entities Act 2004, the members of the pharmacology and therapeutics advisory committee are appointed by the Director-General in consultation with the board of Pharmac. 15
- 65 Publication of notices**
- The Minister must, as soon as practicable after giving a notice under **section 61(1)(b) or 62(1)(e)**, publish in the *Gazette*, and present to the House of Representatives, a copy of the notice. 20
- 66 Membership of board of Pharmac**
- The board of Pharmac consists of up to 6 members appointed under section 28 of the Crown Entities Act 2004.
- 67 Exemption from Part 2 of Commerce Act 1986**
- (1) In this section, unless the context otherwise requires,— 25
- agreement—**
- (a) includes any agreement, arrangement, contract, covenant, deed, or understanding, whether oral or written, whether express or implied, and whether or not enforceable at law; and
- (b) without limiting the generality of **paragraph (a)**, includes any contract of service and any agreement, arrangement, contract, covenant, or deed, creating or evidencing a trust 30
- pharmaceuticals** means substances or things that are medicines, therapeutic medical devices, or products or things related to pharmaceuticals.
- (2) Nothing in Part 2 of the Commerce Act 1986 applies to— 35
- (a) any agreement to which Pharmac is a party and that relates to pharmaceuticals for which full or part-payments may be made from money appropriated under the Public Finance Act 1989; or



- (b) any act, matter, or thing, done by any person for the purposes of entering into such an agreement; or
- (c) any act, matter, or thing done by any person to give effect to such an agreement.

## Subpart 2—New Zealand Blood and Organ Service 5

### 68 NZBOS

- (1) There continues to be a New Zealand Blood and Organ Service (**NZBOS**).
- (2) NZBOS is the same organisation that, immediately before the commencement of this section, was known as NZBOS.
- (3) NZBOS is a Crown entity for the purposes of section 7 of the Crown Entities Act 2004. 10
- (4) The Crown Entities Act 2004 applies to NZBOS except to the extent that this Act provides expressly otherwise.

### 69 Functions of NZBOS

- (1) The functions of NZBOS are— 15
  - (a) to manage the donation, collection, processing, and supply of blood, controlled human substances, and related or incidental matters; and
  - (b) to provide oversight and clinical governance of the organ donation system, to provide support to the transplantation system, and manage any related or incidental matters; and 20
  - (c) if it is an appointed entity, to perform the functions for which it is for the time being responsible under section 63 of the Human Tissue Act 2008; and
  - (d) to perform any other functions it is for the time being given by or under any enactment, or authorised to perform by the Minister by written notice to the board of NZBOS after consultation with it. 25
- (2) NZBOS must perform its functions in **subsection (1)(a) and (b)** in accordance with its statement of intent (including the statement of forecast service performance) and (subject to **section 59**) any directions given under the Crown Entities Act 2004. 30
- (3) The Minister must, as soon as practicable after giving a notice under **subsection (1)(d)**, publish in the *Gazette*, and present to the House of Representatives, a copy of the notice.
- (4) In this section, **appointed entity**, **blood**, and **controlled human substance** have the same meaning as in section 55 of the Human Tissue Act 2008. 35

**70 Membership of board**

The board of NZBOS consists of up to 7 members appointed under section 28 of the Crown Entities Act 2004.

**Subpart 3—Health Quality and Safety Commission****71 Health Quality and Safety Commission**

5

- (1) There continues to be a Health Quality and Safety Commission (**HQSC**).
- (2) HQSC is the same organisation that, immediately before the commencement of this section, was known as HQSC.
- (3) HQSC is a Crown entity for the purposes of section 7 of the Crown Entities Act 2004. 10
- (4) The Crown Entities Act 2004 applies to HQSC except to the extent that this Act expressly provides otherwise.

**72 Objectives of HQSC**

The objectives of HQSC are to lead and co-ordinate work across the health ~~system~~ sector for the purposes of— 15

- (a) monitoring and improving the quality and safety of services; and
- (b) helping providers to improve the quality and safety of services.

**73 Functions of HQSC**

- (1) The functions of HQSC are—
  - (a) to advise the Minister on how quality and safety in services may be improved; and 20
  - (b) to advise the Minister on any matter relating to—
    - (i) health epidemiology and quality assurance; or
    - (ii) mortality; and
  - (c) to determine quality and safety indicators (such as serious and sentinel events) for use in measuring the quality and safety of services; and 25
  - (d) to provide public reports on the quality and safety of services as measured against—
    - (i) the quality and safety indicators; and
    - (ii) any other information that HQSC considers relevant for the purpose of the report; and 30
  - (e) to promote and support better quality and safety in services; and
  - (f) to disseminate information about the quality and safety of services; and
  - (g) to support the health ~~system~~ sector to engage with consumers and whānau for the purpose of ensuring that their perspectives are reflected in the design, delivery, and evaluation of services; and 35

- (h) to ~~prepare a Code of Consumer Participation~~ develop a code of expectations for consumer and whānau engagement in the health sector for approval by the Minister; and
- (ha) to make recommendations to any person in relation to matters within the scope of its functions; and 5
- (i) to perform any other function that—
- (i) relates to the quality and safety of services; and
- (ii) HQSC is for the time being authorised to perform by the Minister by written notice to HQSC after consultation with it.
- (2) In performing its functions, HQSC must, to the extent it considers appropriate, work collaboratively with— 10
- (a) the Ministry of Health; and
- (aa) Health New Zealand; and
- (b) the Health and Disability Commissioner; and
- (c) the Māori Health Authority; and 15
- (d) providers; and
- (da) healthcare professional bodies (for example, colleges); and
- (e) any groups representing the interests of consumers of services; and
- (f) any other organisations, groups, or individuals that HQSC considers have an interest in, or will be affected by, its work. 20
- (3) The Minister must, as soon as practicable after giving a notice to HQSC under **subsection (1)(i)(ii)**, publish in the *Gazette*, and present to the House of Representatives, a copy of the notice.
- 74 Membership of board of HQSC**
- The board of HQSC consists of at least 7 members appointed under section 28 of the Crown Entities Act 2004. 25
- 75 HQSC may appoint mortality review committees**
- (1) HQSC may appoint 1 or more committees to ~~carry out~~ perform any of the following functions that HQSC specifies by notice to the committee:
- (a) to review and report to HQSC on specified classes of deaths of persons, or deaths of persons of specified classes, with a view to reducing the numbers of deaths of those classes or persons, and to continuous quality improvement through the promotion of ongoing quality assurance programmes; 30
- (b) to advise on any other matters related to mortality that HQSC specifies in the notice. 35
- (2) A committee appointed under **subsection (1)** (a **mortality review committee**) must develop strategic plans and methodologies that—

- (a) are designed to reduce morbidity and mortality; and
- (b) are relevant to the committee's functions.
- (3) HQSC—
- (a) must, at least annually, provide the Minister with a report on the progress of mortality review committees; and 5
- (b) must include each such report in HQSC's next annual report.
- (4) The provisions of **Schedule 4** apply in relation to a mortality review committee.
- (5) Every person who fails, without reasonable excuse, to comply with a requirement imposed under **Schedule 4** by the chairperson of a mortality review committee commits an offence and is liable on conviction to a fine not exceeding \$10,000. 10
- (6) Every person who discloses information contrary to **Schedule 4** commits an offence and is liable on conviction to a fine not exceeding \$10,000.
- (7) Any member of a registered occupational profession who commits an offence under **subsection (5) or (6)** is liable to any disciplinary proceedings of that profession in respect of the offence, whether or not they are fined under that subsection. 15

#### Subpart 4—Provisions that apply to Pharmac, NZBOS, and HQSC

- 76 Organisation defined** 20
- In this subpart, **organisation** means each of the following organisations:
- (a) Pharmac:
- (b) NZBOS:
- (c) HQSC.
- 77 Responsibility to operate in financially responsible manner** 25
- (1) Every organisation must operate in a financially responsible manner and for this purpose must endeavour to cover all its annual costs (including the cost of capital) from its net annual income.
- (2) **Subsection (1)** does not apply to HQSC in respect of costs, which are to be met by the Ministry of Health in a financially responsible manner that allows HQSC to ~~carry out~~ perform its functions to a high standard. 30
- (3) This section does not limit section 51 of the Crown Entities Act 2004.
- 78 Delegations policy**
- (1) ~~Every board of an organisation must,~~
- (a) ~~have a policy for the exercise of its powers of delegation under section 73 of the Crown Entities Act 2004 (delegations policy); and~~ 35

- (b) ~~keep the policy under review and update the policy as it considers appropriate; and~~
- (e) ~~make the policy publicly available.~~
- (2) ~~A delegations policy—~~
- (a) ~~comes into force when the Minister approves it; and~~ 5
- (b) ~~is subject to any conditions the Minister specifies in the approval.~~
- (3) ~~When a delegations policy is in force, every exercise by the board of a power of delegation under section 73 of the Crown Entities Act 2004 must comply with that policy.~~
- 79 Employees** 10
- (1) ~~The terms and conditions of employment of a chief executive appointed by an organisation are determined by agreement between the board of the organisation and the chief executive, but the board must not finalise those terms and conditions, or agree to any amendments to any or all of those terms and conditions once they have been finalised, without first obtaining the consent of the Public Service Commissioner.~~ 15
- (2) ~~The individual for the time being acting in the position of chief executive of an organisation may enter into a collective agreement on behalf of the organisation with any or all employees of the organisation, except that that individual must not finalise any such collective agreement without first consulting the Director General on the terms and conditions of any such collective agreement.~~ 20
- (3) ~~The Governor General may, by Order in Council, exempt any organisation, or any organisation specified in the order, from the requirement to consult in **subsection (2)**.~~
- (4) ~~This section applies despite section 117(2) to (3) of the Crown Entities Act 2004, but section 117(1) of that Act applies to a chief executive of an organisation.~~ 25
- (5) ~~Despite section 116(2) of the Crown Entities Act 2004, the Governor General may not make an Order in Council under section 116(1) of that Act in relation to an organisation.~~ 30
- (6) ~~An Order in Council made under this section is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).~~
- 80 Public Records Act 2005 to apply**
- An organisation ~~(other than NZBOS)~~ is a public office for the purposes of the Public Records Act 2005. 35
- 81 Committees**
- In making appointments to a committee of a board of an organisation, the board must endeavour, where appropriate, to ensure representation of Māori on the committee.

## Subpart 5—Committees

*Ministerial committees***82 Ministerial committees**

- (1) The Minister may, by written notice,—
- (a) establish any committee (a **ministerial committee**) that the Minister considers necessary or desirable for any purpose relating to this Act or its administration; and 5
  - (b) appoint any person to be a member or chairperson of the committee; and
  - (c) terminate the committee or the appointment of a member or chairperson of the committee. 10
- (2) A ministerial committee has the functions that the Minister determines by written notice to the committee.
- (3) A ministerial committee—
- (a) consists of ~~such~~ the members ~~as~~ that the Minister determines; and
  - (b) may, subject to any written directions that the Minister gives to the committee, regulate its procedure in any manner that the committee thinks fit. 15
- (4) Each member of a ministerial committee is appointed on any terms and conditions (including terms and conditions as to remuneration and travelling allowances and expenses) that the Minister determines by written notice to the member. 20
- (5) Nothing in this subpart limits any powers that the Minister has under any other enactment or rule of law.

**83 Information about ministerial committees to be made public**

- (1) As soon as practicable— 25
- (a) after giving a notice establishing a ministerial committee, the Minister must present to the House of Representatives a copy of the notice together with the following information:
    - (i) the name of the committee; and
    - (ii) the number of members of the committee: 30
  - (b) after giving a notice appointing any person to be a member or chairperson of a ministerial committee, the Minister must present to the House of Representatives a copy of the notice together with the following information:
    - (i) the name of the chairperson of the committee; and 35
    - (ii) the names of the members of that committee.

- (2) As soon as practicable after giving a notice terminating any ministerial committee, the Minister must present to the House of Representatives a copy of the notice together with the following information:
- (a) the name of the committee terminated; and
  - (b) the reasons for the termination of the committee. 5
- (3) As soon as practicable after giving a notice under **section 82(2)** determining a function of a ministerial committee, the Minister must present to the House of Representatives a copy of the notice together with the following information:
- (a) the functions of the committee; and
  - (b) any other terms of reference or directions (other than directions as to procedure). 10
- (4) As soon as practicable after giving, under **section 82(3)(b)**, a written direction as to the procedure of a ministerial committee, the Minister must present to the House of Representatives a copy of the direction.
- (5) In every annual report of the Ministry of Health, the Ministry must— 15
- (a) give the following information in respect of every ministerial committee:
    - (i) the name of the committee;
    - (ii) the name of the chairperson of the committee;
    - (iii) the name of every member of the committee; and
  - (b) indicate whether ~~there is a~~ any ministerial committee ~~that~~ has not reported to the Minister in the year to which the report relates. 20

*Hauora Māori Advisory Committee*

**84 Hauora Māori Advisory Committee**

- (1) The Minister must establish a Hauora Māori Advisory Committee in accordance with **section 84A**. 25
- (2) The ~~function~~ functions of the committee ~~is~~ are—
- (a) to provide advice to the Minister on the matters specified in **subsection (3)**; and
  - (b) to advise the Minister for the purposes of **sections 55 and 56**; and
  - (c) to provide any other advice ~~as~~ that the Minister requests. 30
- (3) The Minister must seek and consider the committee's advice before exercising any power to—
- (a) appoint or remove members of the board of the Māori Health Authority Board; and
  - (b) require the Māori Health Authority to develop an improvement plan; and 35
  - (c) issue letters of expectation to the Māori Health Authority; and
  - (d) issue directions to the Māori Health Authority; and

- (e) require amendments to the Māori Health Authority's ~~Statement of Intent or Statement of Performance Expectations~~ statement of intent or statement of performance expectations.
- (4) ~~Section 82 applies to the committee and the appointment of its members with all necessary modifications.~~ 5
- (4) The committee may regulate its own procedure in any manner the committee thinks fit.
- (5) If—
- (a) the Minister is required to consider the committee's advice on a matter under this Act; and 10
- (b) the Minister does not agree with that advice; and
- (c) the matter to which advice relates requires public notification under this Act,—
- the public notification must indicate that the Minister did not agree with the committee's advice. 15
- 84A Membership of Hauora Māori Advisory Committee**
- (1) The Hauora Māori Advisory Committee comprises 8 members, of whom—
- (a) 6 are appointed for a term not exceeding 3 years—
- (i) by the Minister on the nomination of all the iwi-Māori partnership boards; or 20
- (ii) by the Minister if, and to the extent that, a nomination is not made; and
- (b) 2 are appointed for a term not exceeding 3 years—
- (i) by the Minister on the nomination of all the organisations listed in **Schedule 1A**; or 25
- (ii) by the Minister if, and to the extent that, a nomination is not made.
- (2) A nomination must—
- (a) be made in writing to the Minister not later than 2 months after the relevant member's term of office expires or a vacancy arises; and 30
- (b) be signed,—
- (i) if **subsection (1)(a)(i)** applies, by all the chairpersons of the iwi-Māori partnership boards to indicate their accord; and
- (ii) if **subsection (1)(b)(i)** applies, by all the chairpersons of the organisations to indicate their accord. 35
- (3) The Minister must appoint a member of the committee—
- (a) as soon as practicable after receiving their nomination; or



- (b) as soon as practicable, if **subsection (1)(a)(ii) or (b)(ii)** applies.
- (4) **Section 82(4)** applies to the committee and the appointment of its members.
- (5) The Minister must, on the recommendation of the committee, appoint a chairperson, and, if no recommendation is made, the Minister must appoint the chairperson. 5
- (6) The Minister may, by written notice,—
- (a) terminate the appointment of a member appointed under **subsection (1)(a)(ii) or (b)(ii)**; and
- (b) terminate the appointment of a member appointed under **subsection (1)(a)(i) or (b)(i)** only at the request of all the chairpersons of the iwi-Māori partnership boards or the organisations (as the case may be). 10
- (7) Until the date that this section takes effect, **clause 5 of Schedule 1** provides for the appointment of members. This subsection is repealed on that date.

#### **84B Listing of organisations in Schedule 1A**

- (1) The Governor-General may, by Order in Council, on the recommendation of the Minister, amend **Schedule 1A** by adding or removing the name of an organisation. 15
- (2) Before making a recommendation, the Minister must consult the Minister for Māori Development and have regard to the need for the Hauora Māori Advisory Committee to represent the perspectives of organisations that— 20
- (a) are governed, managed, or mainly staffed by Māori; and
- (b) individually or collectively hold system level insights in relation to—
- (i) the needs or aspirations of particular groups of Māori health consumers (for example, tangata whaikaha or takatāpui); and
- (ii) the challenges and opportunities for the Māori health workforce; and 25
- (iii) the challenges and opportunities for Māori providers of services.
- (3) **Subsection (2)** does not apply if the Minister is recommending the removal of an organisation from **Schedule 1A** at the organisation's request.
- (4) An Order in Council under this section is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements). 30

#### *National advisory committee on health services ethics*

#### **85 National advisory committee on health services ethics**

- (1) The Minister must, by written notice, appoint a national advisory committee for the purpose of obtaining advice on ethical issues of national significance in respect of any health and disability matters (including research and services). 35

- (2) The committee must determine nationally consistent ethical standards across the ~~health-system~~ sector and provide scrutiny for national health research and services.
- (3) For the purpose of obtaining advice on specific ethical issues of national, regional, or public significance in respect of any health and disability matters, the Minister may, by written notice, appoint any 1 or more of the following committees: 5
- (a) 1 or more ministerial committees:
- (b) the ethics committee of the Health Research Council established under section 24 of the Health Research Council Act 1990— 10  
to consider matters specified by the Minister and to report to the Minister or a person specified by the Minister.
- (4) Before a committee appointed under **subsection (1) or (3)** gives advice, the committee must consult with any members of the public, persons involved in the funding or provision of services, and other persons that the committee considers appropriate. 15
- (5) As soon as practicable after giving a notice under **subsection (1) or (3)**, the Minister must present a copy of the notice to the House of Representatives.
- (6) A committee appointed under this section must, at least once a year, deliver to the Minister a report setting out its activities and summarising its advice on the matters referred to it under this section. 20
- (7) As soon as practicable after receiving a report under **subsection (6)**, the Minister must present a copy of the report to the House of Representatives.

*Expert advisory committee on public health*

- 86 Expert advisory committee on public health** 25
- (1) The Minister must establish an expert advisory committee on public health.
- (2) The purpose of the committee is to provide independent advice to the Minister, the Public Health Agency, ~~and~~ Health New Zealand, and the Māori Health Authority on the following matters: 30
- (a) public health issues, including factors underlying the health of people, whānau, and communities:
- (b) the promotion of public health:
- (c) any other matters that the Minister or the Public Health Agency specifies by notice to the committee.
- (3) The committee— 35
- (a) consists of such members as the Minister determines after consulting the Hauora Māori Advisory Committee; and

- (b) may, subject to any written directions that the Minister gives to the committee, regulate its procedure in any manner that the committee thinks fit.
- (3A) When determining appointments to the committee, the Minister must be satisfied that the committee collectively has knowledge of, and experience and expertise in relation to, population health, health equity, te Tiriti o Waitangi (the Treaty of Waitangi), epidemiology, health intelligence, health surveillance, health promotion, health protection, and preventative health. 5
- (4) Each member of ~~a~~the committee is appointed on any terms and conditions (including terms and conditions as to remuneration and travelling allowances and expenses) that the Minister determines by written notice to the member. 10

### ~~Subpart 6 — Iwi Māori partnership boards~~

#### ~~87 Purpose of iwi Māori partnership boards~~

- ~~The purpose of iwi Māori partnership boards is to represent local Māori perspectives on —~~ 15
- (a) ~~the needs and aspirations of Māori in relation to hauora Māori outcomes; and~~
- (b) ~~how the health system is performing in relation to those needs and aspiration; and~~
- (c) ~~the design and delivery of services and public health interventions within localities.~~ 20

#### ~~88 Recognition of iwi Māori partnership boards~~

- (1) ~~The criteria for recognition of an organisation as an iwi Māori partnership board are as follows:~~
- (a) ~~the boundaries of the area covered by the organisation (the area) do not overlap with the boundaries of any area covered by any iwi Māori partnership board; and~~ 25
- (b) ~~all iwi within the area have been given an opportunity to nominate a member to the organisation; and~~
- (c) ~~reasonable steps have been taken to provide for representation from —~~ 30
- (i) ~~the wider Māori community within the area (regardless of whether they are affiliated with an iwi within the area); and~~
- (ii) ~~hauora Māori experts.~~
- (2) ~~The membership of an iwi Māori partnership board —~~
- (a) ~~must be determined by the board after it has complied with **subsection (1)(b) and (c)**; and~~ 35
- (b) ~~may varied by the board in the same way.~~

- (3) ~~If an organisation wishes to be recognised as an iwi Māori partnership board,—~~
- (a) ~~it must notify the Māori Health Authority; and~~
  - (b) ~~the Māori Health Authority must, if satisfied that the criteria in **subsection (1)** have been met, advise the Minister accordingly; and~~ 5
  - (c) ~~the Minister must recommend the making of an Order in Council under **subsection (5)(a)**.~~
- (4) ~~If 2 or more iwi Māori partnership boards agree to vary or merge their boundaries,—~~
- (a) ~~they must notify the Māori Health Authority; and~~ 10
  - (b) ~~the Māori Health Authority must, if satisfied that the criteria in **subsection (1)** have been met, advise the Minister accordingly.~~
- (5) ~~The Governor General may, by Order in Council, on the recommendation of the Minister made in accordance with **subsection (6)**, amend **Schedule 3** for the purpose of—~~ 15
- (a) ~~recognising an organisation as an iwi Māori partnership board; and~~
  - (b) ~~giving effect to an agreement to a variation or merger referred to in **subsection (4)**; and~~
  - (c) ~~making any minor or consequential changes.~~
- (6) ~~The Minister may recommend the making of an Order in Council under **subsection (5)** only on the advice of the Māori Health Authority.~~ 20
- (7) ~~An iwi Māori partnership board may determine its own procedures.~~
- (8) ~~An organisation listed in column 1 of **Schedule 3** is recognised as the iwi Māori partnership board for the corresponding area described in column 2 of **Schedule 3**.~~ 25
- (9) ~~An Order in Council made under this section is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).~~

## Part 4 General

### Subpart 1—Powers in relation to service commissioning 30

#### **89 Crown funding agreements**

- (1) ~~The Minister may, on behalf of the Crown,—~~
- (a) ~~negotiate and enter into a Crown funding agreement containing any terms and conditions that may be agreed; and~~
  - (b) ~~negotiate and enter into an agreement that amends a Crown funding agreement; and~~ 35

- (e) ~~monitor performance under a Crown funding agreement.~~
- (2) ~~Nothing in this section limits any enactment or any powers that the Minister or the Crown has under any enactment or rule of law.~~
- (3) ~~The Ministry may exercise the Minister's powers under **subsection (1)** on the Minister's behalf except to the extent that the Minister determines by written notice.~~ 5
- (4) ~~As soon as practicable after giving a notice under **subsection (3)**, the Minister must publish a copy of the notice in the *Gazette*.~~
- (5) ~~In this section, **monitor** in relation to a Crown funding agreement,—~~
- (a) ~~means to analyse on the basis of information provided under any relevant agreement and any other relevant substantiated information; and~~ 10
- (b) ~~includes assessing the timeliness of the provision of information required to be provided under any agreement.~~

## 90 Arrangements relating to payments

- (1) The Crown, Health New Zealand, or the Māori Health Authority may, subject to **section 91**, give notice (**notice**) of the terms and conditions (**terms and conditions**) on which it will make payment to any person or persons. 15
- (2) A person who accepts the payment referred to in the notice is deemed to accept the terms and conditions.
- (3) Compliance by the person with the terms and conditions may be enforced by the Crown or health entity (as the case may be) as if the person had signed a deed under which the person agreed to the terms and conditions. 20
- (4) The terms and conditions, unless the notice expressly provides otherwise, are deemed to include a provision to the effect that 12 weeks' notice must be given of any amendment or revocation of the terms and conditions. 25
- (5) The notice (including any amendment or revocation) must be published in the *Gazette* before it takes effect.
- (6) The notice (including any amendment or revocation) must be made publicly available as soon as practicable after it is made,—
- (a) ~~be presented by the Minister to the House of Representatives; and~~ 30
- (b) ~~be made publicly available.~~
- (7) No notice may be issued under this section that would bind Pharmac or NZBOS.

## 91 Restrictions on notices given under section 90

- (1) A notice under **section 90** must not be given without the written approval of the Minister if it— 35
- (a) relates to services for which a notice has not been issued before; or

- (b) sets terms and conditions in respect of particular services that depart from terms and conditions set out in an existing notice in respect of the same or substantially the same services; or
- (c) differentiates between persons or classes of person accepting payment under **section 90**. 5
- (2) The Minister may approve the notice subject to any conditions the Minister specifies.
- (3) Any notice under **section 90** that departs from an existing notice in the manner referred to in **subsection (1)(b)** or differentiates in the manner referred to in **subsection (1)(c)** must include a statement of the reasons for the departure or differentiation. 10
- (4) In this section, **existing notice** means a notice issued under **section 90** that is for the time being in force.
- (5) The Minister must present to the House of Representatives a copy of any approval given under this section. 15
- ~~Compare: 89~~

## Subpart 2—Provisions that apply to health entities

### 92 Accountability documents

- (1) A health entity must ensure that its accountability documents comply with any regulations made under **section 97(1)(e)**. 20
- (2) ~~For the purpose of~~ In this section, **accountability document** means statements of intent, annual financial statements, and annual reports of a health entity under the Crown Entities Act 2004.

### 93 Director-General may require information from health entities

- (1) For the purpose of monitoring the performance of any health entity or the ~~health-system sector~~ sector in general, the Director-General may, in writing,— 25
- (a) request from a health entity, information in relation to any matter; and
- (b) specify a time frame by which the health entity must comply with the request.
- (2) The health entity must comply with the request, and if a time frame is specified, within that time frame. 30
- (3) The Director-General must not request under this section any personal health information of any identifiable person.

### 94 Health entities must provide information

- A health entity must comply with any requirement specified in regulations made under **section 97** to provide information. 35

**95 Minister's approval required for health entity's dealings with land**

- (1) A health entity must not sell, exchange, mortgage, or charge land without the Minister's prior written approval.
- (2) A health entity must not grant a lease or licence over land for a term of more than 5 years ~~over land~~ without the Minister's prior written approval. 5
- (3) For the purposes of **subsection (2)**, the term of a lease or licence includes any period (or, if the lease or licence provides for more than 1 such period, the total period) for which any person is entitled to have the lease or licence renewed.
- (4) Any approval under this section may be subject to any conditions the Minister specifies, and may be given in respect of any land of a class the Minister specifies. 10
- (5) To avoid doubt, the matters to which the Minister may have regard in giving an approval under **subsection (2)** in relation to any land include the question of the application to the land of clause 3 of Schedule 1 of the Health Sector (Transfers) Act 1993. 15
- (6) This section applies despite sections 16 and 17 of the Crown Entities Act 2004.
- (7) In this section, **health entity** includes a Crown entity subsidiary of a health entity.

**Subpart 2A—Review of Act****95A Act must be reviewed every 5 years** 20

- (1) The Director-General must, at least once every 5 years, review the operation and effectiveness of this Act.
- (2) The first review must be completed no later than 5 years after the commencement of this Act.
- (3) The Director-General must— 25
- (a) review the Act in consultation with the Māori Health Authority; and
- (b) have particular regard to the views of the Māori Health Authority; and
- (c) prepare a report of the review.
- (4) The Minister must present the report to the House of Representatives as soon as practicable after it has been completed. 30

**Subpart 3—Secondary legislation****96 Levies for alcohol-related purposes**

- (1) Levies may be imposed for the purpose of enabling the Ministry to recover costs it incurs—
- (a) in addressing alcohol-related harm; and 35
- (b) in its other alcohol-related activities.

(2) **Schedules 5 and 6** apply for the purpose of this section.

## 97 Regulations

(1) The Governor-General may, by Order in Council, on the recommendation of the Minister, make regulations—

*Regional arrangements* 5

(a) specifying regional arrangements—

(i) through which Health New Zealand and the Māori Health Authority must provide and arrange services; and

(ii) which must be maintained by ~~the~~ Health New Zealand and the Māori Health Authority: 10

*Information to be supplied by health entities*

(b) specifying information or classes of information that all health entities or a specified health entity must provide to the Director-General, ~~and~~ including—

(i) the frequency at which it must be provided or time-frames for its provision; and 15

(ii) the manner in which it must be provided:

~~(e) specifying the frequency of or time-frames for the provision of the information; and~~

~~(d) specifying the manner in which the information must be provided; and~~ 20

(e) for the purpose of **section 92**,—

(i) specifying the form of any accountability document; and

(ii) specifying matters to be stated in any accountability document in addition to those required under this Act or the Crown Entities Act 2004: 25

*New Zealand Health Plan*

(f) in relation to the New Zealand Health Plan,—

(i) specifying the form of the plan; and

(ii) imposing requirements relating to the content of the plan; and

(iii) imposing procedural requirements (including engagement requirements for consultation) that must be complied with in the preparation of the plan: 30

*Provision of services*

(g) requiring Health New Zealand or the Māori Health Authority to provide or arrange for the provision of any specified services: 35



*Entitlement cards*

- (h) providing for the issue of entitlement cards (including cards that may record information of any description that is capable of being read or processed by a computer, but not including cards that are themselves capable of processing information) to various classes of persons or the continuation of use of such cards issued under the Health Entitlement Cards Regulations 1993: 5
- (i) prescribing the classes of persons eligible to be issued with the cards:
- (j) prescribing and regulating the use of the cards, including (but not limited to)— 10
- (i) their use to obtain any payment or exemption from payment for services supplied to the holder of a card, or their dependent spouse or partner or child:
- (ii) specifying time limits on the validity of the cards:
- (iii) requiring holders to return the cards to the Ministry of Health: 15
- (iv) any other conditions relating to their use:
- (k) providing for reviews or appeals, or both, of any decisions made under any regulations authorised by **paragraphs (h) to (j)**:
- (l) prescribing offences relating to ~~the~~ improper use of the cards and the fines (not exceeding \$10,000) that may be imposed in respect of ~~any~~ such those offences: 20

*Levies*

- (m) providing for returns to be made by persons importing into or manufacturing in New Zealand any alcohol, or any class or kind of alcohol, for the purpose of ascertaining the amount of any levy payable under this Act, and providing for the verification of returns: 25
- (n) exempting any person or class of persons from paying any levy that would otherwise be payable under this Act in any case where the cost of assessing or collecting the levy exceeds the amount payable by way of the levy: 30
- (o) amending or replacing the table in **Schedule 6**, and amending, omitting, or reinserting the description of the method for determining variable rates:

*Dispute resolution*

- (p) for the purpose of **section 28**, prescribing procedural matters and requirements: 35

*Eligible people*

- (q) specifying a class of eligible people who are eligible to receive publicly-funded services under this Act:

*Procedural and other requirements*

- (2) The Minister must consult Health New Zealand and the Māori Health Authority before recommending the making of regulations under **subsection (1)(a)**.
- (3) Regulations under **subsection (1)(o)** may be made only—
- (a) for the purpose of aligning the rates for classes of alcohol under this Act with the classification system applied to alcoholic beverages under Part B of the Excise and Excise-equivalent Duties Table (as defined in section 5(1) of the Customs and Excise Act 2018); and
  - (b) after consultation with the Minister of Customs.
- (4) The Minister must, before recommending the making of regulations under **subsection (1)(g)**,—
- (a) have regard to—
    - (i) the objectives and functions of the health entity to whom the regulations apply; and
    - (ii) the New Zealand Health Plan, all health strategies, and any relevant locality plan; and
  - (b) consult the board of the health entity as to the services that are to be required to be provided or arranged, and the cost and funding of those services.
- (5) Regulations under **subsection (1)(g)** may not—
- (a) require the supply of services to or by any named individuals or organisations (other than Health New Zealand or the Māori Health Authority); or
  - (b) specify the price for any services.
- (6) Regulations made under this section are secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

## Subpart 4—Amendments to enactments

**98 Enactments repealed and revoked**

- (1) The New Zealand Public Health and Disability Act 2000 (2000 No 91) is repealed.
- (2) The enactments specified in **Part 3 of Schedule 2** are revoked.

**99 Consequential amendments**

Amend the enactments specified in **Parts 1 and 2 of Schedule 2** as set out in that schedule.

## Schedule 1

### Transitional, savings, and related provisions

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#### Contents

Page

#### Part 1

#### Provisions relating to this Act as enacted

1	Defined terms	62
<u>1A</u>	<u>Outline of this Part</u>	<u>63</u>
	Subpart 1—Application of certain provisions <u>and key documents</u> <del>of Act</del>	
2	New Zealand health strategy applies until health strategies take effect	63
3	Interim Health Plan applies until first New Zealand Health Plan takes effect	64
4	Determination of localities and locality plans	64
<del>5</del>	<del>Iwi Māori partnership boards</del>	<del>64</del>
<u>5</u>	<u>Initial appointment of members of Hauora Māori Advisory Committee</u>	<u>64</u>
	Subpart 2—New Zealand disability strategy continued	
6	Continuation of New Zealand disability strategy	65
	Subpart 3—Committees continued	
7	Continuation of certain committees established under former Act	65
	Subpart 4—District Health Boards	
8	District Health Boards disestablished	66
9	Transfers	66
10	Consequences of transfer for purposes of Inland Revenue Acts	67
11	References to DHB, DHB's geographical area, or resident population	67
12	<del>Terms and conditions</del> <u>Effect of transfer</u> of contracts and engagements of DHBs	67
13	Collective agreements	68
14	Application of section 62(4) of Employment Relations Act 2000	68
<del>15</del>	<del>Employment policies of DHB</del>	<del>68</del>
<u>15</u>	<u>Final report of DHBs</u>	<u>69</u>
	Subpart 5—Health Promotion Agency	
16	Health Promotion Agency disestablished	69
17	Transfers	69
<u>17A</u>	<u>Final report of HPA</u>	<u>70</u>

61

18	Consequences of transfer for purposes of Inland Revenue Acts	70
	<u>Subpart 5A—Specified departmental agencies</u>	
<u>18A</u>	<u>Transfer of certain employees of Ministry of Health</u>	<u>70</u>
	Subpart 6—Transfer of employees	
<del>19</del>	<del>Defined term</del>	<del>71</del>
<u>19</u>	<u>Interpretation</u>	<u>71</u>
<del>20</del>	<del>No redundancy payment for transferred employee</del>	<del>71</del>
	<u>Restriction on redundancy payments and continuation of collective employment agreements</u>	
<del>21</del>	<del>Other restrictions on redundancy payments</del>	<del>72</del>
22	Employment continuous for purpose of certain <del>enactments</del>	73
	<u>entitlements</u>	
23	Application of sections 14 and 15 of Health Sector Transfers Act 1993	74
<u>23A</u>	<u>Employment policies</u>	<u>75</u>
	<u>Subpart 6A—Effects of transfer</u>	
<u>23B</u>	<u>Effect of <b>subparts 4 to 6</b> and other provisions</u>	<u>75</u>
<u>23C</u>	<u>Effect of provisions in <b>subparts 4 to 6</b></u>	<u>75</u>
	Subpart 7— Existing directions and notices under former Act	
24	Ministerial directions	76
25	Notices relating to payment arrangements	76

## Part 1

### Provisions relating to this Act as enacted

#### 1 Defined terms

In this Part, unless the context otherwise requires,—

**assets** has the meaning given in section 2(1) of the Health Sector (Transfers) Act 1993 5

**collective agreement** means a collective agreement (within the meaning of section 5 of the Employment Relations Act 2000) that is in force immediately before the commencement date

**commencement date** means the date specified in **section 2** 10

**DHB** means an organisation established by or under section 19 of the former Act

**former Act** means the New Zealand Public Health and Disability Act 2000

**HPA or Health Promotion Agency** means the agency established by section 57 of the former Act 15

**specified departmental agency** means any one of the following departmental agencies listed in Part 2 of Schedule 2 of the Public Service Act 2020:

- (a) Health New Zealand;
- (b) the Māori Health Authority.

- 1A Outline of this Part** 5
- (1) Subparts 1 to 3—**
- (a) delay certain provisions of the Act from taking effect until a specified period, for example, provisions requiring the making of health strategies take effect 12 months after the commencement date; and
  - (b) provide that an Interim Health Plan will apply until the first New Zealand Health Plan takes effect; and 10
  - (c) provide for the continuation of the New Zealand disability strategy and certain committees established under the former Act.
- (2) Subparts 4 to 6—**
- (a) disestablish all DHBs and the HPA on the commencement date; and 15
  - (b) vest in Health New Zealand all assets, money, rights, liabilities, contracts, and other things belonging to DHBs and the HPA; and
  - (c) provide for the transfer of employees of DHBs and the HPA to Health New Zealand; and
  - (d) provide for the transfer of certain employees of the Ministry of Health (in respect of specified departmental agencies) to Health New Zealand or the Māori Health Authority (as the case may be); and 20
  - (e) preserve certain entitlements of employees who are transferred.
- (3) Subpart 6A provides for protections from civil liability and related matters arising from the transfers given effect to under **subparts 4 to 6.**** 25
- (4) Subpart 7 continues existing directions and notices under the former Act.**
- (5) This clause is intended as a guide only.**

Subpart 1—Application of certain provisions and key documents of Act

- 2 New Zealand health strategy applies until health strategies take effect**
- (1) **Sections 37 to 43** (which require the making of the New Zealand Health Strategy, the Hauora Māori Strategy, the Pacific Health Strategy, and the Disability the Health of Disabled People Strategy, and the Women’s Health Strategy) do not take effect until 12 months after the commencement date. 30
  - (2) Until the date that **sections 37 to 43** take effect, the New Zealand health strategy determined under section 8(1) of the former Act continues in force and applies with all necessary modifications as if it were a health strategy under this Act. 35

- 3 Interim Health Plan applies until first New Zealand Health Plan takes effect**
- (1) The first New Zealand Health Plan made under **subpart 5 of Part 2** must take effect on a date no later than 2 years after the commencement date.
- (2) The Interim Health Plan— 5
- (a) applies on and from the commencement date until the date that the first New Zealand Health Plan takes effect; and
- (b) until that date, must be treated as if it were the New Zealand Health Plan.
- (3) In this clause, **Interim Health Plan** means a plan approved by the Minister for the purpose of this clause. 10
- ~~(a) developed by the following departmental agencies listed in Part 2 of Schedule 2 of the Public Service Act 2020:~~
- ~~(i) Health New Zealand; and~~
- ~~(ii) Maori Health Authority; and~~ 15
- ~~(b) approved by the Minister for the purpose of this clause.~~
- 4 Determination of localities and locality plans**
- (1) **Section 48**, which requires localities to be determined, takes effect 2 years after the commencement date.
- (2) **Section 49**, which requires a locality plan to be developed for each locality, takes effect 3 years after the commencement date. 20
- 5 ~~Iwi Māori partnership boards~~**
- ~~An iwi Māori partnership board that is listed in **Schedule 3** on the commencement date—~~
- ~~(a) is deemed to meet the criteria in **section 88(1)**; and~~ 25
- ~~(b) comprises the members it had immediately before the commencement date; and~~
- ~~(c) to avoid doubt, may vary its membership in accordance with **section 88(2)**.~~
- 5 Initial appointment of members of Hauora Māori Advisory Committee** 30
- (1) **Section 84A** takes effect on the date that is 2 years after the commencement date.
- (2) **On the commencement date, the Hauora Māori Advisory Committee comprises 8 members appointed—**
- (a) by the Minister after consulting the Minister for Māori Development; and** 35
- (b) for a term not exceeding 2 years.**

- (3) The Minister must, on the recommendation of the committee, appoint a chairperson, and, if no recommendation is made, the Minister must appoint the chairperson.
- (4) Section 82(4) applies to the committee and the appointment of its members.
- (5) The Minister may, by written notice, terminate the appointment of a member. 5

### Subpart 2—New Zealand disability strategy continued

#### 6 Continuation of New Zealand disability strategy

- (1) Despite the repeal of the former Act,—
- (a) the New Zealand disability strategy determined under section 8(2) of that Act continues in force; and 10
- (b) the Minister of the Crown who is responsible for disability issues—
- (i) must continue to determine a strategy, called the New Zealand disability strategy; and
- (ii) may amend or replace that strategy at any time; and
- (iii) must continue to comply with the requirements of section 8(3) to (5) of the former Act. 15
- (2) This subpart expires and is repealed on a date determined by Order in Council made on the recommendation of the Minister of the Crown responsible for disability issues.
- (3) An Order in Council made under this clause is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements). 20

### Subpart 3—Committees continued

#### 7 Continuation of certain committees established under former Act

- (1) A mortality review committee appointed under section 59 of the former Act continues as if it were a mortality review committee appointed under **section 75** of this Act. 25
- (2) A committee established by the Minister under section 11 of the former Act continues as if it were established under section 82 of this Act.
- (3) The national advisory committee on ethics governing health and disability support services appointed under section 13 of the former Act continues as if it were appointed under **section 86** of this Act. 30
- (4) ~~The public health advisory committee established under section 14 of the former Act continues as if it were established **section 82** of this Act.~~
- (5) The pharmacology and therapeutics advisory committee established in accordance with section 50(1)(a) of the former Act continues as if it were established in accordance with **section 64(1)(a)** of this Act. 35

- (6) The consumer advisory committee established in accordance with section 50(1)(b) of the former Act continues as if it were established in accordance with **section 64(1)(b)** of this Act.
- (7) A person who, immediately before the commencement date, was a member of a committee referred to in **subclauses (1) to (6)**, continues, subject to any terms and conditions of their appointment,—
- (a) to be a member of the committee; and
  - (b) to hold any office on the committee that they held immediately before the commencement date.

#### Subpart 4—District Health Boards 10

### 8 District Health Boards disestablished

On the commencement date, all DHBs are disestablished.

### 9 Transfers

- (1) On the commencement date,—
- (a) all assets belonging to a DHB vest in Health New Zealand; and 15
  - (b) all information and documents held by a DHB are held by Health New Zealand; and
  - (c) all money payable to or by a DHB becomes payable to or by Health New Zealand; and
  - (d) all rights, liabilities, contracts, entitlements, undertakings, and engagements of a DHB become the rights, liabilities, contracts, entitlements, undertakings, and engagements of Health New Zealand; and 20
  - (e) subject to **subclause ~~(5)~~ (4)**, every employee of a DHB becomes an employee of Health New Zealand on the same terms and conditions as applied immediately before they became an employee of Health New Zealand; and 25
  - (f) anything done, or omitted to be done, or that is to be done, by or in relation to a DHB is to be treated as having been done, or having been omitted to be done, or to be done, by or in relation to Health New Zealand; and 30
  - (g) proceedings, inquiries, and investigations under any enactment that may be commenced, continued, or enforced by or against a DHB (including as an interested party or intervenor) or in relation to a DHB may instead be commenced, continued, or enforced by or against or in relation to Health New Zealand without amendment to the proceedings; and 35
  - (h) a matter or thing that could, but for this clause, have been done or completed by a DHB may be done or completed by Health New Zealand.



- (2) The transfer of information from a DHB to Health New Zealand under **sub-clause (1)** does not constitute an action that is ~~an interference with the privacy of an individual under section 69~~ a breach of information privacy principle 8 or 11 within the meaning of the Privacy Act 2020.
- (3) The disestablishment of a DHB does not, by itself, affect any of the following matters: 5
- (a) any decision made, or anything done or omitted to be done, by a DHB in relation to the performance or exercise of its functions, powers, or duties under any enactment:
  - (b) any proceedings commenced by or against a DHB: 10
  - (c) any other matter or thing arising out of a DHB's performance or exercise, or purported performance or exercise, of its functions, powers, or duties under any enactment.
- (4) Despite **subclause (1)(e)**, a chief executive of a DHB does not become an employee of Health New Zealand under this schedule. 15
- 10 Consequences of transfer for purposes of Inland Revenue Acts**
- For the purposes of the Inland Revenue Acts (as defined in section 3(1) of the Tax Administration Act 1994), a DHB and Health New Zealand are treated as the same person.
- 11 References to DHB, DHB's geographical area, or resident population** 20
- On and from the commencement date, unless the context otherwise requires, a reference in any enactment, notice, instrument, contract, or other document to—
- (a) a District Health Board or DHB must be read as reference to Health New Zealand; and 25
  - (b) a DHB's geographical area ~~or resident population~~ must be read as a reference to the geographical area that the DHB previously represented, as set out in Schedule 1 of the former Act; and
  - (c) a DHB's resident population must be read as a reference to the resident population of the geographical area that the DHB previously represented, as set out in Schedule 1 of the former Act. 30
- 12 ~~Terms and conditions~~ Effect of transfer of contracts and engagements of DHBs**
- ~~To avoid doubt, if a contract or engagement of a DHB contains terms and conditions that are specific to that DHB, those terms and conditions apply only to parties within the DHB's region.~~ 35
- To avoid doubt, the transfer of a contract or an engagement of a DHB under **clause 9** does not affect the scope of the contract or engagement or the application of the terms and conditions of the contract or engagement.

**13 Collective agreements**

- (1) If a collective agreement to which more than 1 DHB is a party contains terms or conditions that apply to particular DHBs only, those terms or conditions—
- (a) apply only to people who, immediately before the commencement date, were parties to the agreement or covered by those terms or conditions: 5
  - (b) must be offered by Health New Zealand to employees who, immediately before the commencement date, would have been offered those terms or conditions—
    - (i) unless the parties to the agreement agree otherwise; or
    - (ii) until the agreement expires or otherwise ceases to have effect. 10
- (2) A collective agreement that covers the employees of some but not all DHBs continues after the commencement date to cover only those employees.

**14 Application of section 62(4) of Employment Relations Act 2000**

- (1) **Subclause (2)** applies if—
- (a) section 62 of the Employment Relations Act 2000 ~~Act~~ (the Act) applies to an employee of Health New Zealand; and 15
  - (b) a collective agreement ~~that applies to~~ covering that employee's work is in force on the commencement date.
- (2) If this subclause applies, the number of the employer's employees referred to in section 62(4) of ~~that the~~ the Act is taken to mean the number of the employer's employees within the geographical region of the former DHB in which the employee's work will be performed. 20
- (3) **Subclause (2)** applies—
- (a) unless the parties to the collective agreement agree otherwise; or
  - (b) until the collective agreement expires or otherwise ceases to have effect. 25

**15 ~~Employment policies of DHB~~**

- (1) ~~The employment policies of a DHB—~~
- (a) ~~continue to apply, after the commencement date, with all necessary modifications, as if they were employment policies of Health New Zealand; and~~ 30
  - (b) ~~may be replaced by Health New Zealand by written notice.~~
- (2) ~~Health New Zealand must undertake a reasonable consultation process before introducing any employment policy that is reasonably likely to have a material effect on employees.~~

**15 Final report of DHBs**

The final report of each DHB that is required under section 45J of the Public Finance Act 1989 must, despite subsection (2)(b) of that section, be provided by the close of 31 December 2022.

Subpart 5—Health Promotion Agency 5

**16 Health Promotion Agency disestablished**

On the commencement date, the HPA is disestablished.

**17 Transfers**

- (1) On the commencement date,—
- (a) all assets belonging to the HPA vest in Health New Zealand; and 10
  - (b) all information and documents held by the HPA are held by Health New Zealand; and
  - (c) all money payable to or by the HPA becomes payable to or by Health New Zealand; and
  - (d) all rights, liabilities, contracts, entitlements, and engagements of the HPA become the rights, liabilities, contracts, entitlements, and engagements of Health New Zealand; and 15
  - (e) subject to ~~subclause (5)~~ **(4)**, every employee of the HPA becomes an employee of Health New Zealand on the same terms and conditions as applied immediately before they became an employee of Health New Zealand; and 20
  - (f) anything done, or omitted to be done, or that is to be done, by or in relation to the HPA is to be treated as having been done, or having been omitted to be done, or to be done, by or in relation to Health New Zealand; and 25
  - (g) proceedings that may be commenced, continued, or enforced by or against the HPA (including as an interested party or intervenor) may instead be commenced, continued, or enforced by or against Health New Zealand without amendment to the proceedings; and
  - (h) a matter or thing that could, but for this clause, have been done or completed by the HPA may be done or completed by Health New Zealand. 30
- (2) The transfer of information from the HPA to Health New Zealand under **subclause (1)** does not constitute an action that is ~~an interference with the privacy of an individual under section 69~~ a breach of information privacy principle 8 or 11 within the meaning of the Privacy Act 2020. 35
- (3) The disestablishment of the HPA does not, by itself, affect any of the following matters:

- (a) any decision made, or anything done or omitted to be done, by the HPA in relation to the performance or exercise of its functions, powers, or duties under any enactment:
- (b) any proceedings commenced by or against the HPA:
- (c) any other matter or thing arising out of the HPA's performance or exercise, or purported performance or exercise, of its functions, powers, or duties under any enactment. 5
- (4) Despite **subclause (1)(e)**, ~~a~~ the chief executive of the HPA does not become an employee of Health New Zealand under this schedule.

**17A Final report of HPA** 10

The final report of the HPA that is required under section 45J of the Public Finance Act 1989 must, despite subsection (2)(b) of that section, be provided by the close of 31 December 2022.

**18 Consequences of transfer for purposes of Inland Revenue Acts**

For the purposes of the Inland Revenue Acts (as defined in section 3(1) of the Tax Administration Act 1994), the HPA and Health New Zealand are treated as the same person. 15

Subpart 5A—Specified departmental agencies

**18A Transfer of certain employees of Ministry of Health**

- (1) This clause applies to an employee of the Ministry of Health if, before the commencement date,— 20
- (a) the employee performed the functions or duties, or exercised the powers, of a specified departmental agency; and
- (b) the employee is notified in writing by the chief executive of that departmental agency and the Director-General that— 25
- (i) this clause applies to the employee; and
- (ii) on the commencement date, the employee will become an employee of Health New Zealand or the Māori Health Authority, as the case may be.
- (2) On the commencement date, the employee becomes an employee of Health New Zealand or the Māori Health Authority, as the case may be, on the same terms and conditions that applied to the employee immediately before the commencement date. 30
- (3) The following applies if, immediately before the commencement date, the employee was covered by a collective agreement (the **earlier agreement**) between the chief executive of the Ministry of Health and a union of which the employee was a member (the **union**): 35

- (a) on the commencement date, Health New Zealand or the Māori Health Authority, as the case may be, and the union are parties to a new collective agreement:
- (b) the terms and conditions of the new collective agreement are the same as the earlier agreement, subject to any necessary modifications: 5
- (c) the employee is covered by the new collective agreement as long as they remain a member of the union.
- (4) To avoid doubt, **subclause (3)**—
- (a) does not entitle an employee who was not covered by the earlier agreement to be covered by the new collective agreement; and 10
- (b) does not prevent the parties to the new collective agreement from varying or terminating the agreement in accordance with the terms of the agreement and other applicable law.
- (5) **Clause 20(b)** does not apply to this clause.
- Subpart 6—Transfer of employees 15
- 19** **~~Defined term~~**
- ~~In this subpart, unless the context otherwise requires, **redundancy payment** includes any payment or other benefit provided on the ground of a person's position being disestablished or changed.~~
- 19** **Interpretation** 20
- In this subpart, unless the context otherwise requires,—
- entity A** means one of the following, as the case may be:
- (a) a DHB;
- (b) the HPA;
- (c) in relation to an employee to whom **clause 18A** applies, the Ministry of Health 25
- entity B** means Health New Zealand or the Māori Health Authority, as the case may be
- redundancy payment** includes any payment or other benefit provided on the ground of a person's position being disestablished or changed. 30
- 20** **No redundancy payment for transferred employee—Restriction on redundancy payments and continuation of collective employment agreements**
- (1) ~~This section applies if rights and obligations of—~~
- (a) ~~a DHB under a contract of service between the DHB and an employee of the DHB are transferred to Health New Zealand under **subpart 4**, or~~ 35

- (b) ~~the HPA under a contract of service between the HPA and an employee of the HPA are transferred to Health New Zealand under **subpart 5**.~~
- (2) ~~An employee who is to be transferred under **subpart 4 or 5** is not entitled to a redundancy payment.~~
- (3) ~~If any rights and obligations of a DHB or the HPA under a contract of service arise by virtue of a collective employment contract and such rights and obligations are transferred to Health New Zealand under **subpart 4 or 5**, that collective employment contract is deemed, on and from the commencement date to continue to apply on the same terms (including any terms relating to new employees) as if it were a contract made between Health New Zealand, any bargaining agent that is a party to it, and the employee.~~ 5  
10
- If the rights and obligations of entity A under a contract of service between entity A and its employee are transferred to entity B by operation of **clause 9, 17, or 18A**—
- (a) an employee who is to be transferred by operation of **clause 9, 17, or 18A** is not entitled to a redundancy payment; and 15
- (b) if those rights and obligations arise by virtue of a collective employment agreement, the collective employment agreement continues, on and from the commencement date, to apply on the same terms (including any terms relating to new employees) as if it were an agreement made between entity B, any union that is a party to it, and the employee. 20
- 21 Other restrictions on redundancy payments**
- (1) ~~An employee of a DHB or the HPA who has received a notice of termination by reason of redundancy is not entitled to a redundancy payment if, before the employee's employment has ended, the employee—~~ 25
- (a) ~~is offered and accepts another position as an employee of the Ministry or Health New Zealand that—~~
- (i) ~~begins before, on, or immediately after the date on which the employee's current position ends; and~~
- (ii) ~~is on terms and conditions of employment (including redundancy and superannuation conditions) that are no less favourable; and~~ 30
- (iii) ~~is on terms that treat service within the Ministry or Health New Zealand as if it were continuous service; or~~
- (b) ~~is offered an alternative position as an employee in the Ministry that—~~
- (i) ~~begins before, on, or immediately after the date on which the employee's current position ends; and~~ 35
- (ii) ~~is a position with comparable duties and responsibilities to those of the employee's current position; and~~
- (iii) ~~is in substantially the same general locality or a locality within reasonable commuting distance; and~~ 40

- (iv) ~~is on terms and conditions of employment (including redundancy and superannuation conditions) that are no less favourable; and~~
  - (v) ~~is on terms that treat service within the Ministry as if it were continuous service.~~
- (2) ~~This section overrides Part 6A of the Employment Relations Act 2000.~~ 5
- 22 Employment continuous for purpose of certain ~~enactments~~ entitlements**
- (1) If an employee of ~~entity A a DHB or the HPA~~ is moving by operation of clause 9, 17, or 18A ~~virtue of subpart 4 or 5~~ to be an employee of ~~Health New Zealand~~ entity B, their employment is to be treated as continuous for the purposes of— 10
- (a) entitlements under the following provisions in Part 2 of the Holidays Act 2003:
    - (i) subpart 1 (annual holidays); and
    - (ii) subpart 3 (public holidays); and
    - (iii) subpart 4 (sick leave and bereavement leave); and 15
    - (iv) subpart 5 (family violence leave); and
  - (b) entitlements to leave under the Parental Leave and Employment Protection Act 1987; and
  - (c) the KiwiSaver Act 2006; and
  - (d) entitlements under the Government Superannuation Fund Act 1956; and 20
  - (e) entitlements or obligations that—
    - (i) are under any other enactment or under a contract; and
    - (ii) relate to employment.
- (2) For the purpose of **subclause (1)(a)**,—
- (a) the period of employment of the employee in ~~entity A the DHB or the HPA~~ that ends with the date on which the employee moved to ~~Health New Zealand~~ entity B must be treated as a period of employment with ~~Health New Zealand~~ entity B for the purpose of determining the employee’s entitlement to annual holidays, sick leave, bereavement leave, and family violence leave; and 25  
30
  - (b) the chief executive of ~~entity A the DHB or the HPA~~ must not pay the employee for annual holidays; or alternative holidays; not taken before the date on which the employee moved to the position in ~~Health New Zealand~~ entity B; and
  - (c) the chief executive of ~~Health New Zealand~~ entity B must recognise the employee’s entitlement to— 35
    - (i) any sick leave, including any sick leave carried over under section 66 of the Holidays Act 2003, not taken before the date on which

- the employee moved to the position in ~~Health New Zealand~~ entity B; and
- (ii) any annual holidays not taken before the date on which the employee moved to the position in ~~Health New Zealand~~ entity B; and 5
- (iii) any alternative holidays not taken or exchanged for payment under section 61 of that Act before the date on which the employee moved to the position in ~~Health New Zealand~~ entity B; and
- (iv) any holidays not taken before the date on which the employee moved to the position in ~~Health New Zealand~~ entity B in relation to which there was an agreement between the employee and ~~the DHB or the HPA (as the case may be)~~ entity A under section 44A or 44B of that Act. 10
- (3) For the purpose of **subclause (1)(b)**,— 15
- (a) the period of employment of the employee in entity A ~~the DHB or the HPA~~ that ends with the date on which the employee moved to ~~Health New Zealand~~ entity B must be treated as a period of employment with ~~Health New Zealand~~ entity B; and
- (b) the chief executive of ~~Health New Zealand~~ entity B must treat any notice given to or by the chief executive of entity A ~~the DHB or the HPA~~ under the Parental Leave and Employment Protection Act 1987 as if it had been given to or by the chief executive of ~~Health New Zealand~~ entity B. 20
- (4) ~~If the employee's position with Health New Zealand (position A) begins before the date on which the employee's position with DHB or the HPA (position B) ends, **subclauses (2) and (3)** must be applied as if position B ends on the date that position A begins.~~ 25
- (5) For the purpose of **subclause (1)(c)**, the employment of the employee in the position with ~~Health New Zealand~~ entity B is not new employment within the meaning of that term in the KiwiSaver Act 2006. 30
- (6) For the purpose of **subclause (1)(d)**, in the definition of Government service in section 2(1) of the Government Superannuation Fund Act 1956, a health service includes, for the avoidance of doubt, Health New Zealand and the Māori Health Authority.
- 23 Application of sections 14 and 15 of Health Sector Transfers Act 1993** 35
- (1) Section 14 of the Health Sector Transfers Act 1993—
- (a) applies with all necessary modifications to a person who becomes an employee of ~~Health New Zealand~~ entity B by operation of **clause 9, 17, or 18A or 17**; and



- (b) must read as if the contract of service were transferred under **clause 9, 17, or 18A or 47** of this schedule.
- (2) Section 15 of the Health Sector Transfers Act 1993 applies to an employee who becomes an employee of ~~Health New Zealand~~ entity B by operation of **clause 9, 17, or 18A or 47**. 5

### **23A Employment policies**

- (1) The employment policies of entity A—
- (a) continue to apply after the commencement date—
- (i) in relation to an employee who becomes an employee of entity B by operation of **clause 9, 17, or 18A**; and 10
- (ii) with all necessary modifications; and
- (b) may be replaced by entity B by written notice to that employee.
- (2) Entity B must undertake a reasonable consultation process before introducing any employment policy that is reasonably likely to have a material effect on that employee. 15

### Subpart 6A—Effects of transfer

### **23B Effect of subparts 4 to 6 and other provisions**

Nothing effected or authorised by **subparts 4 to 6** or any other provision of this Act—

- (a) places the Crown, a health entity, or any other person in breach of contract or confidence, or makes any of them liable for a civil wrong; or 20
- (b) places any of those persons or any other person in breach of an enactment, a rule of law, or a provision of a contract that prohibits, restricts, or regulates the assignment or transfer of property or the disclosure of information; or 25
- (c) entitles a person to terminate or cancel a contract or an arrangement, or to accelerate the performance of an obligation, or to impose a penalty or an increased charge; or
- (d) releases a surety from an obligation; or
- (e) invalidates or discharges a contract or surety. 30

### **23C Effect of provisions in subparts 4 to 6**

- (1) A provision in **subparts 4 to 6** (a **relevant provision**) has effect despite any restriction, prohibition, or other provision in any enactment, rule of law, or agreement that would otherwise apply.
- (2) However, an Order in Council may— 35
- (a) apply a provision in any enactment or rule of law that, but for **sub-clause (1)**, would apply in relation to a relevant provision; and

- (b) specify how the provision is to apply.
- (3) An Order in Council under **subclause (2)** may be made only on the recommendation of the Minister after being satisfied that applying the provision—
- (a) is necessary or desirable for the purpose of any transfer or other matter to which the relevant provision relates; and 5
- (b) is no broader than is reasonably necessary to address the matter giving rise to it.
- (4) An Order in Council under **subclause (2)** is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).
- Subpart 7— Existing directions and notices under former Act 10
- 24 Ministerial directions**
- Despite the repeal of the former Act, a ministerial direction given under section 32 of that Act or section 103 of the Crown Entities Act 2004 in relation to an entity established under the former Act—
- (a) continues in force on and after the commencement date; and 15
- (b) ceases to have effect on a date specified by the Minister ~~by Order in Council~~ in writing and published in the *Gazette*.
- ~~(2) An Order in Council made under this clause is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).~~
- 25 Notices relating to payment arrangements** 20
- Despite the repeal of the former Act, a notice given under section 88 of that Act—
- (a) continues in force on and after the commencement date; and
- (b) is deemed to have been made under **section 90** of this Act.

**Schedule 1A**

**Organisations for purpose of section 84A(1)(b)(i)**

**ss 84A, 84B**

## Schedule 2

### Consequential amendments to enactments

s 99

#### Part 1

#### Amendment to Acts

5

##### Abortion Legislation Act 2020 (2020 No 6)

In section 16(1), replace “the New Zealand Public Health and Disability Act 2000” with “the Pae Ora (Healthy Futures) Act **2021**”.

##### Accident Compensation Act 2001 (2001 No 49)

In section 6(1), repeal the definition of **district health board or other provider** and insert in its appropriate alphabetical order: 10

**Health New Zealand, Māori Health Authority or other provider** means Health New Zealand, Māori Health Authority or other provider, as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 6(1), ~~replace-repeal~~ the definition of **Crown funding agreement** with: 15

~~**Crown funding agreement** has the same meaning as in **section 4 of the Pae Ora (Healthy Futures) Act 2021**~~

In section 6(1), definition of **government agency**, replace “and a Crown entity” with “, a Crown entity, and the Māori Health Authority”.

In section 6(1), insert in its appropriate alphabetical order: 20

**Māori Health Authority** means the Māori Health Authority established by **section-24 17 of the Pae Ora (Healthy Futures) Act 2021**

In section 74(4), replace “a district health board or the Minister ~~or~~ of Health” with “Health New Zealand, the Māori Health Authority, or the Minister of Health”.

In section 282(1), replace “district health boards” with “Health New Zealand and the Māori Health Authority”. 25

In section 282(4), replace “a district health board” with “Health New Zealand or the Māori Health Authority”.

~~In section 282(8), replace “a district health board authorised by the” with “Health New Zealand or the Māori Health Authority authorised by it’s”.~~ 30

Replace section 282(8)(b) with:

(b) an officer, employee or agent of Health New Zealand or the Māori Health Authority and who is authorised by that entity’s chief executive to receive it.

In section 301(2)(a)(i), replace “district health boards” with “Health New Zealand, the Māori Health Authority,”. 35

**Accident Compensation Act 2001 (2001 No 49)—continued**

In section 301(2)(a)(i), replace “Crown funding agreements” with “Health New Zealand or the Māori Health Authority”.

~~In section 302(1), replace “district health boards” with “Health New Zealand, the Māori Health Authority”.~~

In section 302(1), replace “Minister of Health must enter into a Crown funding agreement with district health boards or other providers in order” with “Minister must enter into a funding agreement with Health New Zealand or other providers”. 5

In section 302(2), replace “every Crown funding agreement” with “every funding agreement described in subsection (1)”.

In section 303(1), replace “district health board” with “Health New Zealand, the Māori Health Authority”. 10

In section 305(1), replace “district health board” with “Health New Zealand”.

In Schedule 1, clause 13(7), replace “Health and Disability Services Act 1993” with “Pae Ora (Healthy Futures) Act 2021”.

**Artificial Limb Service Act 2018 (2018 No 34)** 15

In section 10(d), replace “District Health Boards” with “Health New Zealand”.

**Biosecurity Act 1993 (1993 No 95)**

In section 87(1)(g), replace “DHBs, as defined in section 6 of the New Zealand Public Health and Disability Act 2000” with “Health New Zealand, as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**”. 20

In section 98(1)(g), replace “DHBs, as defined in section 6 of the New Zealand Public Health and Disability Act 2000” with “Health New Zealand, as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

**Births, Deaths, Marriages, and Relationships Registration Act 1995 (1995 No 16)**

In section 85A(1), replace “the New Zealand Public Health and Disability Act 2000” with “the Pae Ora (Healthy Futures) Act 2021”. 25

**Charitable Trusts Act 1957 (1957 No 18)**

In section 51(2)(b), replace “any district health board” with “Health New Zealand”.

**Children’s Act 2014 (2014 No 40)**

In section 5(1), definition of **children’s agencies**, replace paragraph (c) with: 30

(c) Pae Ora (Healthy Futures) Act 2021:

In section 14(a), replace “DHBs boards” with “the boards of Health New Zealand and the Māori Health Authority”.

In section 15(1), replace the definition of **board** with:

**Children’s Act 2014 (2014 No 40)**—*continued*

**board**, in relation to Health New Zealand or the Māori Health Authority, means the members of the board of that organisation (who number no less than the required quorum) acting together as a board

In section 15(1), repeal the definition of **DHB** and insert in its appropriate alphabetical order:

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 15(1), definition of **independent person**, replace “a DHB” with “Health New Zealand or the Māori Health Authority”.

In section 15(1), insert in its appropriate alphabetical order:

**Māori Health Authority** means the Māori Health Authority established by **section 17 of the Pae Ora (Healthy Futures) Act 2021**

In section 15(4)(a), replace “DHBs” with “Health New Zealand”.

In the heading to section 17, replace “DHBs boards” with “**Health New Zealand and Māori Health Authority**”.

In section 17, replace “Every board of a DHB must” with “The board of Health New Zealand and the board of the Māori Health Authority must each”.

In section 17(a), delete “after the commencement (under section 2(1)) of this section”.

**Civil Defence Emergency Management Act 2002 (2002 No 33)**

In section 4, replace the definition of **health and disability services** with:

**health and disability services** means services as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 4, replace the definition of **provider of health and disability services** with:

**provider of health and disability services** means a provider as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**Compensation for Live Organ Donors Act 2016 (2016 No 96)**

In section 9(1)(c), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

**Contraception, Sterilisation, and Abortion Act 1977 (1977 No 112)**

In section 16(1), replace “The Minister of Health, when entering into Crown funding agreements under the New Zealand Public Health and Disability Act 2000” with “Health New Zealand and the Māori Health Authority must, when developing the New Zealand Health Plan under the Pae Ora (Healthy Futures) Act 2021”.

In section 16(2), replace “Minister of Health” with “Health New Zealand and the Māori Health Authority”.

**Crown Entities Act 2004 (2004 No 115)**

Repeal section 98(1A).

In Schedule 1, Part 1, table, repeal the items relating to District Health Boards and Health Promotion Agency.

In Schedule 1, Part 1, table, insert the item its appropriate alphabetical order: 5

Health New Zealand

**Crown Organisations (Criminal Liability) Act 2002 (2002 No 37)**

In section 4, definition of government-related organisation, after paragraph (i), insert:

(i) the Māori Health Authority

**Customs and Excise Act 2018 (2018 No 4)** 10

In Schedule 1, Part 1, clause 1(7)(c), replace “Schedule 4A of the New Zealand Public Health and Disability Act 2000” with “**Schedule 5 of the Pae Ora (Healthy Futures) Act 2021**”.

**Disabled Persons Community Welfare Act 1975 (1975 No 122)**

In section 2, repeal the definitions of **Crown funding agreement**, **disability services**, **district health board**, and **service agreement**. 15

In section 2, insert in their appropriate alphabetical order:

~~Crown funding agreement has the meaning in section 4 of the Pae Ora (Healthy Futures) Act 2021~~

disability support services has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021** 20

Health New Zealand has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

Māori Health Authority has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021** 25

New Zealand Health Plan has the meaning in section 44 of the Pae Ora (Healthy Futures) Act 2021

**service agreement** means an agreement in which 1 or more health entities as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021** agree to provide money to a person in return for the person providing services within the meaning of section 4 of that Act or arranging for the provision of those services 30

In section 4(e), replace “district health boards” with “Health New Zealand, the Māori Health Authority,”.

In section 25A(1)(b) and (2)(a) and (b), replace “a Crown funding agreement” with “the New Zealand Health Plan”. 35

**Disabled Persons Community Welfare Act 1975 (1975 No 122)—continued**

In section 25A(1)(b), replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 87 of the Pae Ora (Healthy Futures) Act 2021**”.

In section 25A(2)(a) and (b), replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 87 of the Pae Ora (Healthy Futures) Act 2021**”.

In section 25C(3)(c)(i) and (ii), replace “a Crown funding agreement” with “an agreement”.

In section 25C(3)(d), replace “district health board” with “Health New Zealand or the Māori Health Authority”.

In section 25C(3)(d)(i), replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 87 of the Pae Ora (Healthy Futures) Act 2021**”.

In section 25D(4)(c), replace “any Crown funding agreement or” with “the New Zealand Health Plan or any”.

In section 25D(4)(c), replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 87 of the Pae Ora (Healthy Futures) Act 2021**”.

**Education and Training Act 2020 (2020 No 38)**

In section 10, definition of **early childhood education and care centre**, replace paragraph (c)(iv) with:

- (iv) institutions under the control of the Ministry of Health, Health New Zealand, or the Māori Health Authority:

**Employment Relations Act 2000 (2000 No 24)**

In section 100E(2)(a)(i), replace “not less than three quarters of district health boards” with “Health New Zealand”.

In section 100E(2)(a)(ii), replace “district health boards” with “Health New Zealand”.

In Schedule 1, Part A, clause 13, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

~~In the heading to Schedule 1B, replace “sector” with “system”.~~

In Schedule 1B, replace clause 1(1) to (3) with:

- (1) This code applies to the following parties to an employment relationship in the public health ~~system~~ sector:
  - (a) Health New Zealand and the Māori Health Authority:
  - (b) employees of Health New Zealand or the Māori Health Authority:
  - (c) unions whose members are employees of Health New Zealand or the Māori Health Authority:



**Employment Relations Act 2000 (2000 No 24)**—*continued*

- (d) other employers to the extent that they provide services to Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service:
- (e) employees of the employers referred to in **paragraph (d)** to the extent that they are engaged in providing services to Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service: 5
- (f) the New Zealand Blood and Organ Service:
- (g) employees of the New Zealand Blood and Organ Service:
- (h) unions whose members are employees of the New Zealand Blood and Organ Service. 10
- (2) However, to avoid doubt, **subclause (1)(d) and (e)** applies in relation to the provision of services only if the services are provided to Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service in its role as a provider of services.
- (3) Before Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service enters into an agreement or arrangement with another employer for the provision of services to it, it must notify the employer that this code will apply to the employer in relation to the provision of those services. 15
- ~~In Schedule 1B, clause 2, replace “sector” with “system” in each place.~~ 20
- In Schedule 1B, clause 3, definition of **services**, replace paragraph (a) with:
- (a) has the same meaning as in **section 4 of the Pae Ora (Healthy Futures) Act 2021**; and
- In Schedule 1B, clause 3, definition of **good employer**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “has the same meaning as in section 118 of the Crown Entities Act 2004”. 25
- ~~In Schedule 1B, clause 4(2)(d)(i), replace “sector” with “system”.~~
- In Schedule 1B, replace clause 7 with:
- 7 Health-system sector principles**
- The parties must recognise and support the health-system sector principles in **section 7(1) of the Pae Ora (Healthy Futures) Act 2021**. 30
- ~~In Schedule 1B, clause 18, replace “sector” with “system”.~~
- In Schedule 1B, replace clause 19(1)(a) with:
- (a) an employer is Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service; and 35
- In Schedule 1B, clause 20(1), replace “a district health board or the New Zealand Blood Service” with “Health New Zealand, the Māori Health Authority, or the New Zealand Blood and Organ Service” in each place.

**Employment Relations Act 2000 (2000 No 24)**—*continued*

In Schedule 1B, clause 21(1), replace “a district health board or the New Zealand Blood Service” with “Health New Zealand, the Māori Health Authority,or the New Zealand Blood and Organ Service”.

**Family Violence Act 2018 (2018 No 46)**

In section 19, definition of **specified government agency**, replace paragraph (e) with: 5

- (e) Health New Zealand (that is, Health New Zealand established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**):

In section 19, definition of **specified government agency**, after paragraph (m), insert:

- (n) Māori Health Authority (that is, the Māori Health Authority established by **section 17 of the Pae Ora (Healthy Futures) Act 2021**) 10

**Finance Act 1994 (1994 No 73)**

In section 2(2), replace “(reached before the commencement of the New Zealand Public Health and Disability Act 2000)” with “(reached before 1 January 2001)”.

**Goods and Services Act 1985 (1985 No 141)**

Replace section 25(7) with: 15

- (7) In this section,—
- Pharmac** means the Pharmaceutical Management Agency continued by **section 58 of the Pae Ora (Healthy Futures) Act 2021**
- Pharmac agreement** means an agreement to which Pharmac is a party and under which Pharmac agrees to list a pharmaceutical on the pharmaceutical schedule as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021** 20
- pharmaceutical** means a pharmaceutical as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**.

**Hazardous Substances and New Organisms Act 1996 (1996 No 30)** 25

In section 2(1), definition of **public health**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

**Health Act 1956 (1956 No 65)**

In section 2(1), repeal the definitions of **district health board**, **personal health**, **personal health services**, **public health**, and **public health services**. 30

In section 2(1), insert in their appropriate alphabetical order:

- Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**Health Act 1956 (1956 No 65)—continued**

**Māori Health Authority** has the meaning in **section 4 the Pae Ora (Healthy Futures) Act 2021**

**personal health** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**personal health services** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021** 5

**public health** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**public health services** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021** 10

Repeal section 3B(3)(b).

Section 3E, heading, replace “Group” with “Agency”.

In section 3E(1) and (2), replace “Group” with “Agency”.

Replace section 3E(3) with:

- (3) The functions of the Public Health Agency are— 15
- (a) to provide systems leadership across the public health sector; and
  - (b) to advise the Director-General on matters relating to public health, including—
    - (i) personal health matters relating to public health; and
    - (ii) regulatory and strategic matters relating to public health. 20

**~~3E Public Health Agency~~**

In the heading to section 3F, replace “Group” with “Agency”.

In section 3F, replace “Group’s” with “Agency’s”.

In section 3F, replace “Group” with “Agency”.

After section 7A(8), insert: 25

- (9) To avoid doubt, the Director-General may revoke a designation of a person as a medical officer of health or health or protection officer under this section.
- (10) The Director-General must consult the Director of Public Health before revoking a designation of a medical officer of health.

After section 22(2), insert: 30

- (3) A person who holds office as Director of Public Health has the functions of a medical officer of health and may exercise them in any part of New Zealand if they are a medical practitioner specialising in public health.

In section 22B, definition of **services**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”. 35

**Health Act 1956 (1956 No 65)—continued**

Replace section 22C(2)(j) with:

- (j) an employee of Health New Zealand, for the purposes of exercising or performing any of ~~Health New Zealand's~~ that entity's powers, duties, or functions of under the Pae Ora (Healthy Futures) Act **2021**;
- (k) an employee of the Māori Health Authority, for the purposes of exercising or performing any of ~~the Māori Health Authority's~~ that entity's powers, duties, or functions under the Pae Ora (Healthy Futures) Act **2021**;
- (l) an employee of the New Zealand Blood and Organ Service, for the purposes of exercising or performing any of that entity's powers, duties, or functions under the Pae Ora (Healthy Futures) Act 2021.

In section 22D(1), replace “any district health board” with “Health New Zealand or the Māori Health Authority”.

In section 22D(2), replace “a district health board” with “Health New Zealand or the Māori Health Authority”. 15

In section 22E, replace “a district health board” with “Health New Zealand or the Māori Health Authority”.

In section 22G(1), after paragraph (i), insert:, replace “a district health board” with “Health New Zealand”.

After section 22G(1)(i), insert: 20

- (j) Health New Zealand;
- (k) Māori Health Authority.

In section 22G(2), replace “a district health board” with “Health New Zealand or the Māori Health Authority”.

In section 22G(2)(a), replace “the district health board” with “Health New Zealand or the Māori Health Authority”. 25

In section 92ZA(3), replace “a district health board, the district health board” with “Health New Zealand, Health New Zealand”.

In section 92ZZA(1)(c), replace “the district health board” with “Health New Zealand”. 30

In section 112J(2)(d), replace “district health board” with “Health New Zealand”.

In section 112J(2)(e) and (3), replace “a district health board” with “Health New Zealand”.

**Health and Disability Commissioner Act 1994 (1994 No 88)**

Replace section 7(a) and (b) with: 35

- (a) take into account the Government Policy Statement on Health, and any health strategy issued under the Pae Ora (Healthy Futures) Act **2021**, so

**Health and Disability Commissioner Act 1994 (1994 No 88)**—*continued*

far as those strategies are applicable to the circumstances of the particular case; and

- (b) take into account the objectives for Health New Zealand set out in **section 13 of the Pae Ora (Healthy Futures) Act 2021** and the objectives of the Māori Health Authority set out in **section 18 of the Pae Ora (Healthy Futures) Act 2021**.

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**Health and Disability Services (Safety) Act 2001 (2001 No 93)**

In section 5(1)(c), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 31(4)(a), replace “a District Health Board” with “Health New Zealand”.

10

**Health Practitioners Competence Assurance Act 2003 (2003 No 48)**

In section 53, definition of **investigation**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 60(6), replace “clause 2 of Schedule 5 of the New Zealand Public Health and Disability Act 2000” with “**clause 2 of Schedule 4 of the Pae Ora (Healthy Futures) Act 2021**”.

15

In section 61(1)(b), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

**Health Sector (Transfers) Act 1993 (1993 No 23)**

In section 2(1), definition of **Crown endowment**,—

20

- (a) replace “a DHB” with “Health New Zealand”; and  
 (b) replace “the DHB” with “Health New Zealand”.

In section 2(1), replace definition of **Crown endowment land** with:

**Crown endowment land** means, in relation to Health New Zealand, land that—

25

- (a) is vested in Health New Zealand as a Crown endowment; and  
 (b) was either—  
 (i) granted by the Crown to Health New Zealand or to any of its predecessors in title; or  
 (ii) vested in Health New Zealand or in any of its predecessors in title by or pursuant to any Act, Provincial Ordinance, grant, or Order in Council; and  
 (c) was not land that, before it was granted to, or vested in, Health New Zealand or any of its predecessors in title, had been given to the Crown, whether in trust or otherwise; and  
 (d) is not a public reserve within the meaning of the Reserves Act 1977; and

30

35

**Health Sector (Transfers) Act 1993 (1993 No 23)**—*continued*

- (e) is not, except for being held as a Crown endowment, land that is held in trust for a particular purpose; and
- (f) is not, except for being held as a Crown endowment, land in respect of which special provision is made by any Act or Provincial Ordinance

In section 2(1), repeal the definition of **HPA**. 5

In section 2(1), inserted in its appropriate alphabetical order:

**Māori Health Authority** has the meaning in **section 4 the Pae Ora (Healthy Futures) Act 2021**

In section 2(1), definition of **predecessor in title**, replace “a DHB, means any of its predecessors in title that was” with “Health New Zealand, means any of its predecessors in title that was a DHB.” 10

In section 2(1), replace definition of **publicly-owned health and disability organisation** with:

- publicly-owned health and disability organisation** means—
- (a) Health New Zealand, Māori Health Authority, NZBOS, HQSC, and Pharmac; and
  - (b) includes any companies wholly or partially owned by those organisations

In section 2(2), replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”. 20

In section 2A(b)(ii) and (c), replace “DHBs” with “Health New Zealand or the Māori Health Authority”.

In the heading to section 11A, replace “**DHB**” with “**Health New Zealand and Māori Health Authority**”.

Replace section 11A(1) with: 25

- (1) Subject to this section and **section 95 of the Pae Ora (Healthy Futures) Act 2021**, the powers of Health New Zealand or the Māori Health Authority to sell, exchange, mortgage, or charge land may be exercised by Health New Zealand or the Māori Health Authority in respect of land held in trust for any purpose, despite the terms of that trust. 30

In section 11A(6), replace “a DHB” with “Health New Zealand or the Māori Health Authority”.

In section 11B(1), replace “a DHB, declare that any land vested in the DHB” with “Health New Zealand or the Māori Health Authority, declare that any land vested in Health New Zealand or the Māori Health Authority.” 35

Replace section 11B(2) with:

- (b) subject to **section 95 of the Pae Ora (Healthy Futures) Act 2021**, may be sold, exchanged, mortgaged, charged, or otherwise dealt with by

**Health Sector (Transfers) Act 1993 (1993 No 23)**—*continued*

Health New Zealand or the Māori Health Authority free from the terms of the Crown endowment.

In section 11B(3), replace “a DHB” with “Health New Zealand or the Māori Health Authority”.

Replace section 11C(1) with:

(1) Subject to subsection (2), where Health New Zealand or the Māori Health Authority holds in trust the proceeds of the sale of any land (being land that was, at the time of the sale, subject to a Crown endowment), Health New Zealand or the Māori Health Authority may, despite the terms of that endowment, and whether the land was sold before or after the commencement of this section, apply the proceeds of the sale—

- (a) for the purposes of any health services or disability support services, or both, provided by Health New Zealand or the Māori Health Authority; or
- (b) for any purpose for which Health New Zealand or the Māori Health Authority may lawfully apply its own property.

In section 11C(2), replace “the DHB” with “Health New Zealand or the Māori Health Authority”.

In section 11C(3), replace “a DHB” with “Health New Zealand or the Māori Health Authority”.

In section 11D, replace “a DHB” with “Health New Zealand or the Māori Health Authority”.

In section 11E(8)(a), replace “clause 43 of Schedule 3 or clause 28 of Schedule 6 of the New Zealand Public Health and Disability Act 2000” with “**section 95 of the Pae Ora (Healthy Futures) Act 2021**”.

In section 11E(8)(b), replace “clause 43 of Schedule 3 of the New Zealand Public Health and Disability Act 2000” with “**section 95 of the Pae Ora (Healthy Futures) Act 2021**”.

Replace section 11H(2)(a)(i) with:

- (i) before being transferred to, or vested in, the transferee under this Act or the Pae Ora (Healthy Futures) Act **2021** had been given to the Crown, Health New Zealand, the Māori Health Authority, or any predecessors in title of Health New Zealand; and

**Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016 (2016 No 2)**

In the Preamble, subsection (2), replace “District Health Boards” with “the predecessors of Health New Zealand”.

In section 4, repeal the definition of **DHB** and insert in its appropriate alphabetical order:

**Home and Community Support (Payment for Travel Between Clients) Settlement Act 2016 (2016 No 2)—continued**

**Health New Zealand** has the meaning in **section 4 the Pae Ora (Healthy Futures) Act 2021**

In section 4, definition of **home and community-based support services**, paragraph (a)(i), replace “services funded by the Ministry of Health or a DHB” with “services funded by the Ministry of Health, Health New Zealand, or the Māori Health Authority” 5

In section 4, definition of **home and community-based support services**, paragraph (b)(ii), replace “Ministry of Health to allow” with “Ministry of Health or another agency to allow”.

In section 4, insert in its appropriate alphabetical order: 10

**Māori Health Authority** has the meaning in **section 4 the Pae Ora (Healthy Futures) Act 2021**

In section 8(1)(b), replace “a former HCS employer, ACC, or the Crown” with “a former HCS employer, Health New Zealand, ACC, or the Crown”.

In section 8(3)(a) and (b), replace “a former HCS employer, ACC, or the Crown” with “a former HCS employer, Health New Zealand, ACC, or the Crown”. 15

Replace the heading to section 15 with “**Minimum amounts payable for travel before 1 March 2016 funded by Ministry of Health or Health New Zealand**”.

Replace section 28(2)(b) with:

(b) Health New Zealand: 20

Replace section 29(2)(c) with:

(c) Health New Zealand; and

In Schedule 3, repeal the items relating to Auckland DHB, Canterbury DHB, Hawke’s Bay DHB, Nelson Marlborough DHB, Tairāwhiti DHB (also known as Tairāwhiti District Health and TDH), Waikato DHB, and West Coast DHB. 25

In Schedule 3, insert the following item in its appropriate alphabetical order:

Health New Zealand

**Human Assisted Reproductive Technology Act 2004 (2004 No 92)**

Replace section 27(3)(a) with:

(a) complies in its composition with any applicable standard governing ethics committees determined by any relevant committee appointed under **section 82 of the Pae Ora (Healthy Futures) Act 2021**; and 30

Replace section 27(4) with:

(4) The committee designated under this section is subject to any applicable ethical standards determined by any relevant committee appointed under **section 82 of the Pae Ora (Healthy Futures) Act 2021**. 35



**Immigration Act 2009 (2009 No 51)**

In heading to section 300, replace “**publicly funded health and disability support services**” with “**services**”.

In section 300(1)(a) and (b), replace “publicly funded health and disability support services” with “services”. 5

In section 300(3)(a), (b), and (c), replace “publicly funded health and disability support services” with “services”.

In section 300(9), repeal the definition of **publicly funded health and disability support services**.

In section 300(9), definition of **responsible department**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 10

In section 300(9), insert its appropriate alphabetical order:

**services** has the meaning in section 4 of the Pae Ora (Healthy Futures) Act **2021**

**Income Tax Act 2007 (2207 No 97)**

15

In section CW 53B(1), replace “the Ministry of Health or a District Health Board” with “Health New Zealand or the Māori Health Authority”.

In section CW 52B(2), definition of **disability support services**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”. 20

In section LY 3(2)(d)(ii), replace “a district health board” with “Health New Zealand”.

In section MX 2(c)(ii), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

**Inquiries Act 2013 (2013 No 60)**

25

In Schedule 1, repeal the item relating to New Zealand Public Health and Disability Act 2000.

**Land Transport Act 1998 (1998 No 110)**

In section 73(7), replace “a district health board” with “Health New Zealand”.

**Local Electoral Act 2001 (2001 No 35)**

30

Repeal section 7(f).

**Local Government (Rating) Act 2002 (2002 No 6)**

In Schedule 1, Part 1, clause 8, replace “a district health board” with “Health New Zealand”.

**Local Government Act 1974 (1974 No 66)**

In section 2(1), repeal the definition of **district health board**.

**Maritime Transport Act 1994 (1994 No 104)**

In section 40M(7), replace “a district health board,” with “Health New Zealand,”.

**Medicines Act 1981 (1981 No 118)**

5

Replace section 49A(3)(b) with:

- (b) officers and employees of Health New Zealand established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**:

**Mental Health and Wellbeing Commission Act 2020 (2020 No 32)**

After section 14(6)(e), insert:

10

- (f) the Māori Health Authority.

**Mental Health (Compulsory Assessment and Treatment) Act 1992 (1992 No 46)**

In section 2(1), definition of **service**, replace paragraph (a) with:

- (a) funded by ~~or through a Crown funding agreement~~ the Crown under the New Zealand Health Plan within the meaning of **section 4 of the Pae Ora (Healthy Futures) Act 2021**; or

15

**Misuse of Drugs Act 1975 (1975 No 116)**

In section 8(1)(b)(i), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 8(1)(f), replace “any district health board established by the New Zealand Public Health and Disability Act 2000” with “Health New Zealand established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**”.

20

Replace section 20(3)(a) with:

- (a) employees of Health New Zealand established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**:

25

**New Zealand Sign Language Act 2006 (2006 No 18)**

Replace section 10(2) with:

- (2) A report under subsection (1) may be included in any report referred to in **clause 6 of Schedule 1 of the Pae Ora (Healthy Futures) Act 2021** on the progress being made in implementing the New Zealand disability strategy.

30

**New Zealand Superannuation and Retirement Income Act 2001 (previously named the New Zealand Superannuation Act 2001) (2001 No 84)**

In section 19(1), replace “a District Health Board within the meaning of the New Zealand Public Health and Disability Act 2000” with “Health New Zealand established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**”.

35

### Ngā Mana Whenua o Tāmaki Makaurau Collective Redress Act 2014 (2014 No 52)

In the heading to section 137, replace “**district health boards**” with “**Health New Zealand**”.

In section 137(1),— 5

- (a) replace “A district health board may dispose” with “Health New Zealand may dispose”; and
- (b) replace “the district health board’s objectives” with “Health New Zealand’s objectives”.

Repeal section 137(2). 10

### Ngāi Tahu Claims Settlement Act 1998 (1998 No 97)

In section 50(j), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

### Ngāti Hauā Claims Settlement Act 2014 (2014 No 75)

In section 109(1)(a)(ii), replace “Waikato District Health Board” with “Health New Zealand”. 15

Replace section 126 with:

#### 126 Disposal by Health New Zealand

Health New Zealand (established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**), or any of its subsidiaries, may dispose of RFR land to any person if the Minister of Health has given notice to the trustees that, in the Minister’s opinion, the disposal will achieve, or assist in achieving, Health New Zealand’s objectives. 20

### Ngāti Toa Rangatira Claims Settlement Act 2014 (2014 No 17)

Replace section 202 with: 25

#### 202 Disposals by Health New Zealand

Health New Zealand (established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**), or any of its subsidiaries, may dispose of RFR land to any person if the Minister of Health has given notice to the trustees that, in the Minister’s opinion, the disposal will achieve, or assist in achieving, Health New Zealand’s objectives. 30

### Ombudsmen Act 1975 (1975 No 9)

In section 2(2)(b), replace “a district health board if the district health board, whether alone or together with any other district health board,” with “Health New Zealand if Health New Zealand,”. 35

After section 2(2)(c), insert:

**Ombudsmen Act 1975 (1975 No 9)—continued**

- (d) the Māori Health Authority if the Māori Health Authority directly or indirectly owns, or controls the exercise of all the voting rights attaching to, the issued shares of the company (other than shares that carry no right to participate beyond a specified amount in a distribution of either profits or capital).

5

In Schedule 1, Part 1A, repeal the items relating to ~~Cancer Control Agency~~, Health New Zealand, and Māori Health Authority.

In Schedule 1, Part 2, repeal the following items:

District health boards

District Health Boards New Zealand Incorporated

10

Health Promotion Agency

New Zealand Blood Service

Related companies of district health boards (within the meaning of section 2(2)(b))

In Schedule 1, Part 2, insert in their appropriate alphabetical order:

Health New Zealand

15

Māori Health Authority

New Zealand Blood and Organ Service

Related companies of Health New Zealand

Related companies of the Māori Health Authority

**Oranga Tamariki Act 1989/Children’s and Young People’s Well-being Act 1989 (previously named the Children, Young Persons, and Their Families Act 1989) (1989 No 24)**

20

In section 2(1), definition of **child welfare and protection agency**, replace paragraph (j) with:

- (j) Health New Zealand:

25

In section 2(1), definition of **child welfare and protection agency**, after paragraph (n), insert:

- (o) the Māori Health Authority

In section 2(1), repeal the definition of **DHB** and insert in its appropriate alphabetical order:

30

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 2(1), insert in its appropriate alphabetical order:

**Māori Health Authority** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

35

**Parental Leave and Employment Protection Act 1987 (1987 No 129)**

Repeal section 2AB.

**Port Nicholson Block (Taranaki Whānui ki Te Upoko o Te Ika) Claims Settlement Act 2009 (2009 No 26)**

Replace section 109 with:

5

**109 Disposals by Health New Zealand**

Health New Zealand (as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**), or any of its subsidiaries, may dispose of RFR land to any person if the Minister of Health has given notice to the trustees that, in the Minister's opinion, the disposal will achieve, or assist in achieving, Health New Zealand's objectives.

10

**Privacy Act ~~2002 (2002 No 31)~~ 2020 (2020 No 31)**

In section 138, definition of **specified organisation**, replace paragraph (c) with:

(c) Health New Zealand:

In section 138, definition of **specified organisation**, after paragraph (j), insert:

15

(k) Māori Health Authority

In Schedule 3, table, replace each reference to "District Health Boards" with "Health New Zealand and Māori Health Authority".

**Prohibition of Gang Insignia in Government Premises Act 2013 (2013 No 56)**

In section 4, repeal the definition of **district health board** and insert in its appropriate alphabetical order:

20

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 4, definition of **Government premises**, replace paragraph (c)(i) with:

(i) Health New Zealand; and

25

**Public Audit Act 2001 (2001 No 10)**

In Schedule 2, insert the following item in its appropriate alphabetical order:

Māori Health Authority

**Public Service Act 2020 (2020 No 40)**

In Schedule 2, Part 2, repeal the items relating to ~~Cancer Control Agency~~, Health New Zealand, and Māori Health Authority.

30

**Psychoactive Substances Act 2013 (2013 No 53)**

In section 8, definition of **public health**, replace "section 8(1) of the New Zealand Public Health and Disability Act 2000" with "**section 4 of the Pae Ora (Healthy Futures) Act 2021**".

35

**Raukawa Claims Settlement Act 2014 (2014 No 7)**

In section 106(1)(a)(ii), replace “the Waikato District Health Board” with “Health New Zealand”.

Replace section 124 with:

**124 Disposal by Health New Zealand**

Health New Zealand (established by **section 11 of the Pae Ora (Healthy Futures) Act 2021**), or any of its subsidiaries, may dispose of RFR land to any person if the Minister of Health has given notice to the trustees that, in the Minister’s opinion, the disposal will achieve, or assist in achieving, Health New Zealand’s objectives.

**Reserves and Other Lands Disposal Act 2015 (2015 No 84)**

Replace the cross-heading above section 18 with:

*Health New Zealand*

In section 19(1), replace “The Nelson Marlborough District Health Board (the **DHB**)” with “Health New Zealand”.

In section 19(2), replace “the **DHB**” with “Health New Zealand”.

**Residential Care and Disability Support Services Act 2018 (2018 No 33)**

In section 5, repeal the definition of **DHB** and insert in its appropriate alphabetical order:

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 5, definition of **funder**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 5, replace definition of **section-86 88 notice** with:

**section 90 notice** means a notice—

- (a) given under **section 90 of the Pae Ora (Healthy Futures) Act 2021**; and
- (b) in respect of the provision of LTR care

In section 5, definition of **service agreement**, replace paragraph (a) with:

- (a) entered into between a funder and provider; and

Replace section 13 with:

**13 Funding eligible**

A person is funding eligible if the person belongs to a class of eligible people specified in regulations made under **section 97 of the Pae Ora (Healthy Futures) Act 2021** or is eligible under a ministerial direction continued under **clause 24 of Schedule 1** of that Act.

**Residential Care and Disability Support Services Act 2018 (2018 No 33)**—*continued*

In section 27(3), replace “A DHB” with “Health New Zealand”.

In section 29(1), replace “A DHB that” with “If Health New Zealand”.

In section 29(3)(c), replace “the DHB” with “Health New Zealand”.

In section 30(1), replace “A DHB” with “Health New Zealand”.

In section 30(2), replace “The DHB” with “Health New Zealand”. 5

In section 59(1)(a), replace “a DHB” with “Health New Zealand”.

In section 59(1)(c)(ii), replace “section 92(3) of the New Zealand Public Health and Disability Act 2000” with “**section 97(1) of the Pae Ora (Healthy Futures) Act 2021**”.

In section 59(2)(b), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 10

In section 65, replace “the applicable DHB” with “Health New Zealand”.

**Smokefree Environments and Regulated Products Act 1990 (1990 No 108)**

In section 91(1)(a), replace “a District Health Board under the New Zealand Public Health and Disability Act 2000” with “Health New Zealand established by the Pae Ora (Healthy Futures) Act **2021**”. 15

**Social Security Act 2018 (2018 No 32)**

In section 67(d)(i), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 72(2)(d)(i), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 20

In section 86(b)(ii), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 96(2)(a), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 25

In section 96(2)(b), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In section 402(b), replace “section 92(3)(d) of the New Zealand Public Health and Disability Act 2000” with “**section 97(1)(k) of the Pae Ora (Healthy Futures) Act 2021**”. 30

In Schedule 2, definition of **hospital**, replace paragraph (b) with:

- (b) in sections 206 and 207, means a hospital operated by Health New Zealand within the meaning of **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**Social Security Act 2018 (2018 No 32)—continued**

In Schedule 2, definition of **residential care services**, paragraph (g), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

**Sport and Recreation New Zealand Act 2002 (2002 No 38)**

In section 5, definition of **New Zealand health strategy**, replace “section 8(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”. 5

**Support Workers (Pay Equity) Settlements Act 2017 (previously named the Care and Support Workers (Pay Equity) Settlement Act 2017) (2017 No 24)**

In section 3(2)(a) and (c), replace “the 20 DHBs” with “the predecessors of Health New Zealand”. 10

In section 5, definition of **care and support services**, paragraph (a)(i), replace “the Ministry of Health, a DHB” with “Health New Zealand, the Māori Health Authority”.

In section 5, repeal the definition of **DHB** and insert in its appropriate alphabetical order: 15

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In section 5, definition of **employer**, replace paragraph (a)(iv) with:

(iv) Health New Zealand; but

In section 5, definition of **employer**, replace paragraph (b) with: 20

(b) does not include a natural person who receives funding directly from ACC, Health New Zealand, or the Māori Health Authority towards the cost of care and support services for the person or a family member of the person.

In section 5, definition of **funder**, replace “Ministry for Children, a DHB, or ACC” with “Ministry for Children, Health New Zealand, the Māori Health Authority, or ACC”. 25

**Veterans’ Support Act 2014 (2014 No 56)**

In section 107(b), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 30

**Victims’ Rights Act 2002 (2002 No 39)**

Replace section 11(2)(b) with:

(b) Health New Zealand (as defined in **section 4 of the Pae Ora (Healthy Futures) Act 2021**):



## Part 2

### Amendments to legislative instruments

#### Accident Compensation (Ancillary Services) Regulations 2002 (SR 2002/13)

In regulation 6(1)(b)(i), replace “a district health board or other person under an agreement (if any) in force under the New Zealand Public Health and Disability Act 2000” with “Health New Zealand or other person under an agreement (if any) in force under the Pae Ora (Healthy Futures) Act **2021**”. 5

#### Accident Compensation (Liability to Pay or Contribute to Cost of Treatment) Regulations 2003 (SR 2003/388)

In regulation 3, definition of **community services card**, paragraph (b), replace “section 92(3) of the New Zealand Public Health and Disability Act 2000” with “**section 97(1) of the Pae Ora (Healthy Futures) Act 2021**”. 10

In section 13(5)(a), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 18(5)(a) and (6)(c), replace “a district health board” with “Health New Zealand”. 15

#### COVID-19 Public Health Response (Required Testing) Order 2020 (LI 2020/230)

In Schedule 2, table, item 3.3, replace “district health board” with “Health New Zealand”.

#### Cremation Regulations 1973 (SR 1973/154) 20

In regulation 7(3), replace “a district health board established by or under section 19 of the New Zealand Public Health and Disability Act 2000” with “Health New Zealand established by the Pae Ora (Healthy Futures) Act **2021**”.

#### Crown Entities (Financial Powers) Regulations 2005 (SR 2005/68)

In the heading to regulation 13, replace “district health boards” with “Health New Zealand and Māori Health Authority”. 25

In regulation 13(1), replace “A district health board” with “Health New Zealand or the Māori Health Authority”.

In regulation 13(1)(b), replace “as defined in ~~the~~ that district health board’s Crown funding agreement” with “as defined in ~~Health New Zealand’s Crown funding agreement~~ the New Zealand Health Plan”. 30

~~In regulation 13(4), replace definition of Crown funding agreement with:~~

~~Crown funding agreement has the same meaning as in section 4 of the Pae Ora (Healthy Futures) Act 2021~~

In regulation 13(4), revoke the definition of **district health board** and insert in ~~its~~ their appropriate alphabetical order: 35

**Crown Entities (Financial Powers) Regulations 2005 (SR 2005/68)—continued**

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**Māori Health Authority** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

**New Zealand Health Plan** has the meaning in **section 44 of the Pae Ora (Healthy Futures) Act 2021**

5

In regulation 13(4), revoke the definition of **Crown funding agreement** and insert in their appropriate alphabetical order:

**Māori Health Authority** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

10

**New Zealand Health Plan** has the meaning in **section 44 of the Pae Ora (Healthy Futures) Act 2021**

In regulation 13(4), revoke the definition of **Residual Health Management Unit**.

**Health Entitlement Cards Regulations 1993 (SR 1993/169)**

In regulation 22(1), definition of **prescription item**, replace “a Crown funding agreement” with “the New Zealand Health Plan”.

15

In regulation 22(1), definition of **prescription item**, replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 44 of the Pae Ora (Healthy Futures) Act 2021**”.

**Health (Immunisation) Regulations 1995 (SR 1995/304)**

20

In regulation 2(1), definition of **Pharmac**, replace “established by section 46 of the New Zealand Public Health and Disability Act 2000” with “continued by **section-58 90 of the Pae Ora (Healthy Futures) Act 2021**”.

**Health (Retention of Health Information) Regulations 1996 (SR 1996/343)**

In regulation 2, definition of **service**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

25

**Health Entitlement Cards Regulations 1993 (SR 1993/169)**

In regulation 2(1), definition of **Act**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

30

In regulation 2(1), definition of **medical practitioner**, paragraph (d)(iii), replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 90 of the Pae Ora (Healthy Futures) Act 2021**”.

In regulation 2(1), definition of **primary health organisation**, replace “a district health board” with “Health New Zealand or the Māori Health Authority”.

35

**Health Entitlement Cards Regulations 1993 (SR 1993/169)—continued**

In regulation 2(1), definition of **provider**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 5(2)(d), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 8(1)(g), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 5

In regulation 8(3), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 12(b), replace “any district health board” with “Health New Zealand”.

In regulation 12(b)(ii)(A), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 10

In regulation 13(5)(a) and (b), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 17, definition of **general medical services**, replace “section 25 or 88 of the New Zealand Public Health and Disability Act 2000” with “**section 90 of the Pae Ora (Healthy Futures) Act 2021**”. 15

In regulation 17, definition of **qualifying medical services**, paragraph (a), replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”.

In regulation 20A(b), replace “the Ministry of Health or Health Benefits Limited or any medical practitioner or other health practitioner or any specialist or any pharmacist or any district health board” with “the Ministry of Health or any medical practitioner or other health practitioner or any specialist or any pharmacist or Health New Zealand”. 20

In regulation 22(1), definition of **prescription item**, replace “a Crown funding agreement” with “the New Zealand Health Plan”. 25

In regulation 22(1), definition of **prescription item**, replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 44 of the Pae Ora (Healthy Futures) Act 2021**”.

In regulation 22(1), definition of **pharmaceutical**, replace “New Zealand Public Health and Disability Act 2000” with “Pae Ora (Healthy Futures) Act **2021**”. 30

In regulation 22(1), definition of **prescription item**, replace “section 88 of the New Zealand Public Health and Disability Act 2000” with “**section 90 of the Pae Ora (Healthy Futures) Act 2021**”.

In regulation 23A(b), replace “the Director-General of Health or Health Benefits Limited or any medical practitioner or any specialist or any pharmacist or any district health board” with “the Director-General ~~or~~ of Health or any medical practitioner or any specialist or any pharmacist or Health New Zealand”. 35

**Injury Prevention, Rehabilitation, and Compensation (Public Health Acute Services) Regulations 2002 (SR 2002/71)**

In regulation 3(1), definition of **personal health services**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

5

**Medicines Regulations 1984 (SR 1984/143)**

In regulation 2(1), definition of **Pharmac**, replace “established by section 46 of the New Zealand Public Health and Disability Act 2000” with “continued by **section 60 of the Pae Ora (Healthy Futures) Act 2021**”.

In regulation 11(3)(a)(ii), replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

10

**National Civil Defence Emergency Management Plan Order 2015 (LI 2015/140)**

In the Schedule, clause 2(1), revoke the definition of **DHB** and insert in its appropriate alphabetical order:

15

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In the Schedule, clause 2(1), definition of **PHU**, replace “a DHB” with “Health New Zealand”.

In the Schedule, replace clause 47(1)(c) with:

20

(c) Health New Zealand, which plans, manages, provides, and purchases services for the New Zealand population, including primary care, public health services, aged care, and services provided by other non-government health providers; and

In the Schedule, clause 50(3), replace “DHBs are” with “Health New Zealand is”.

25

In the Schedule, clause 50(3)(a), delete “within their districts”.

In the Schedule, clause 50(3)(b), delete “affecting their districts, and cooperating with neighbouring DHBs in the development of inter-DHB, sub-regional, regional, and national emergency plans and capability as appropriate to decide how services will be delivered in an emergency (acknowledging DHBs’ role as both funders and providers of health and disability service providers, including the provision of support directly or indirectly to other affected parts of the country)”.

30

In the Schedule, clause 50(3)(c), replace “ensuring that all their plans” with “ensuring that all of its plans”.

In the Schedule, clause 50(3)(d)(iii), replace “that their own planning” with “that its own planning”.

35

In the Schedule, clause 50(5)(b), replace “relevant DHBs” with “Health New Zealand”.

**National Civil Defence Emergency Management Plan Order 2015 (LI 2015/140)**  
—*continued*

In the Schedule, clause 50(5)(d), replace “DHB regional groups” with “Health New Zealand”.

In the Schedule, clause 50(6)(b), replace “the relevant DHBs” with “Health New Zealand”.

In the Schedule, clause 50(6)(d), replace “DHB regional groups” with “Health New Zealand”. 5

In the Schedule, clause 51(1), replace “DHBs” with “Health New Zealand”.

In the Schedule, clause 51(3), replace “DHBs are responsible for” with “Health New Zealand is responsible for”.

In the Schedule, clause 51(3)(c), replace “continuing their services” with “considering its services”. 10

In the Schedule, clause 51(4)(c), replace “coordinating via local DHB” with “coordinating via Health New Zealand”.

In the Schedule, clause 51(5)(b), replace “coordinating via local DHB” with “coordinating via Health New Zealand”. 15

In the Schedule, clause 51(6)(b), replace “local DHB” with “Health New Zealand”.

In the Schedule, clause 68(6)(a), replace “DHBs” with “Health New Zealand”.

In the Schedule, clause 68(6)(h), replace “and DHBs” with “Health New Zealand”.

In the Schedule, clause 69(3)(d), replace “with DHBs and primary care and” with “Health New Zealand”. 20

In the Schedule, clause 69(4)(b), replace “DHBs” with “Health New Zealand”.

In the Schedule, clause section 71(4), replace “DHBs are responsible for coordinating the provision of psychosocial support services (DHBs advise non-government organisations and primary health organisations on the type and nature of services needed for ongoing psychosocial support)” with “Health New Zealand is responsible for coordinating the provision of psychosocial support services (Health New Zealand advises non-government organisations and primary health organisations on the type and nature of services needed for ongoing psychosocial support)”. 25

In the Schedule, clause 71(5)(a), replace “DHBs” with “Health New Zealand”.

In the Schedule, clause 72(4)(a), replace “DHBs” with “Health New Zealand”. 30

In the Schedule, clause 73(5), replace “DHBs” with “Health New Zealand”.

**New Zealand Public Health and Disability (Archives) Regulations 2001 (SR 2001/248)**

In regulation 4(a)(i) and (ii), replace “a DHB” with “Health New Zealand or the Māori Health Authority”. 35

**Privacy (Information Sharing Agreement between Inland Revenue and Ministry of Social Development) Order 2017 (LI 2017/176)**

In clause 3(1), definition of **subsidies**, replace “section 92 of the New Zealand Public Health and Disability Act 2000” with “**section 97 of the Pae Ora (Healthy Futures) Act 2021**”.

5

**Privacy (Information Sharing Agreement between New Zealand Gang Intelligence Centre Agencies) Order 2018 (LI 2018/247)**

In clause 3, definition of **subsidies**, replace “section 92 of the New Zealand Public Health and Disability Act 2000” with “**section 97 of the Pae Ora (Healthy Futures) Act 2021**”.

10

**Public and Community Housing Management (Prescribed Elements of Calculation Mechanism) Regulations 2018 (LI 2018/173)**

In regulation 3(1), definition of **Crown**, paragraph (c), replace “(for example, DHBs)” with “(for example, Health New Zealand)”.

In regulation 3(1), definition of **Crown**, paragraph (d), replace “a DHB” with “Health New Zealand”.

15

In regulation 3(1), revoke the definition of **DHB** and insert in its appropriate alphabetical order:

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

20

In regulation 3(1), definition of **disability support services**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

In regulation 3(1), definition of **predecessor in title**, replace “a DHB” with “Health New Zealand”.

25

**Residential Care and Disability Support Services Regulations 2018 (LI 2018/203)**

In Schedule 3, Part 2, clause 2, definition of **Crown**, paragraph (c), replace “(for example, DHBs)” with “(for example, Health New Zealand)”.

In Schedule 3, Part 2, clause 2, definition of **Crown**, paragraph (d), replace “a DHB” with “Health New Zealand”.

30

In Schedule 3, Part 2, clause 2, revoke the definition of **DHB** and insert in its appropriate alphabetical order:

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In Schedule 3, Part 2, clause 2, definition of **disability support services**, replace “section 6(1) of the New Zealand Public Health and Disability Act 2000” with “**section 4 of the Pae Ora (Healthy Futures) Act 2021**”.

35

**Residential Care and Disability Support Services Regulations 2018 (LI 2018/203)**  
—*continued*

In Schedule 3, Part 2, clause 2, definition of **predecessor in title**, replace “a DHB” with “Health New Zealand”.

**Social Security Regulations 2018 (LI 2018/202)**

In regulation 290(2)(d), replace “a district health board” with “Health New Zealand”.

In Schedule 8, Part 5, clause 5, definition of **Crown**, paragraph (c), replace “DHBs” with “Health New Zealand”. 5

In Schedule 8, Part 5, clause 5, definition of **Crown**, paragraph (d), replace “a DHB” with “Health New Zealand”.

In Schedule 8, Part 5, clause 5, revoke the definition of **DHB** and insert in its appropriate alphabetical order: 10

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In Schedule 8, Part 5, clause 5, definition of **predecessor in title**, replace “a DHB” with “Health New Zealand”.

**Student Allowances Regulations 1998 (SR 1998/277)** 15

In regulation 2(1), definition of **Crown**, paragraph (c), replace “DHBs” with “Health New Zealand”.

In regulation 2(1), definition of **Crown**, paragraph (d), replace “a DHB” with “Health New Zealand”.

In regulation 2(1), revoke the definition of **DHB** and insert in its appropriate alphabetical order: 20

**Health New Zealand** has the meaning in **section 4 of the Pae Ora (Healthy Futures) Act 2021**

In regulation 2(1), definition of **predecessor in title**, replace “a DHB” with “Health New Zealand”. 25

**Part 3**  
**Revocations**

**Health (Cancellation of Division of District Health Boards into Constituencies) Order 2004 (SR 2004/63)**

**Health and Disability (Division of Southern DHB into Constituencies) Order 2010 (SR 2010/77)** 30

**Health Sector Transfers (Enable New Zealand Limited) Order 2002 (SR 2002/334)**

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<b>Health Sector (Transfer of Assets and Liabilities of Crown Public Health Limited and CLS Properties Limited) Order 2002 (SR 2002/333)</b>	
<b>Health Sector Transfers (Canterbury DHB) Order 2015 (SR 2015/132)</b>	
<b>Health Sector Transfers (Christchurch Hospital Hagley Facility) Order 2020 (LI 2020/178)</b>	5
<b>Health Sector Transfers (Christchurch Hospital Outpatients Facility) Order 2018 (LI 2018/212)</b>	
<b>Health Sector Transfers (Hutt DHB) Order 2009 (SR 2009/205)</b>	
<b>Health Sector Transfers (NZ Health Partnerships Limited) Order 2015 (SR 2015/148)</b>	10
<b>Health Sector Transfers (Organ Donation Capability) Order 2020 (LI 2020/188)</b>	
<b>Health Sector Transfers (Provider Arrangements) Order 2001 (SR 2001/135)</b>	
<b>Health Sector Transfers (Provider Arrangements) Order (No 2) 2001 (SR 2001/247)</b>	
<b>Health Sector Transfers (Provider Arrangements) Order 2002 (SR 2002/151)</b>	15
<b>Health Sector Transfers (Provider Arrangements) Order 2003 (SR 2003/219)</b>	
<b>Health Sector Transfers (Southern DHB) Order 2010 (SR 210/79)</b>	
<b>Health Sector Transfers (Te Nikau Grey Base Hospital and Health Centre) Order 2020 (LI 2020/148)</b>	
<b>Health Sector Transfers (Wellington City Council) Order 2002 (SR 2002/393)</b>	20
<b>Health Sector Transfers (West Otago Health Trust) Order 2004 (SR 2004/16)</b>	
<b>New Zealand Public Health and Disability (Planning) Regulations 2011 (LI 2011/147)</b>	
<b>Organ Donors and Related Matters Act 2019 Commencement Order 2020 (LI 2020/192)</b>	25



## Schedule 3

### Iwi-Māori partnership boards

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	<del>Area covered by the board (based on territorial authority and ward boundaries as constituted as at 1 January 2001)</del>
<b>Iwi-Māori partnership board</b>	
<del>Te Kahu o Taonui</del>	<del>Far North District, Whangarei District, Kaipara District, North Shore City, Rodney District, Waitakere City, Auckland City</del>
<del>Mana Whenua I Taamaki Makaurau / Tainui</del>	<del>Manukau City, Papakura District, Franklin District</del>
<del>Waikato Iwi Māori Council</del>	<del>Hauraki District, Thames-Coromandel District, Waikato District, Waipa District, Hamilton City, South Waikato District, Matamata-Piako District, Otorohanga District, Waitomo District, Ruapehu District (Ohura, Taumarunui and National Park Wards only)</del>
<del>Te Kāhui Oranga</del>	<del>Taupo District, Rotorua District</del>
<del>Te Runanga Hauora o Te Moana a Toi</del>	<del>Tauranga District, Western Bay of Plenty District, Whakatane District, Kawerau District, Opotiki District, Mayor Island (Tuhua), Motiti Island</del>
<del>Te Waiora o Nukutaimemeha</del>	<del>Gisborne District</del>
<del>Te Whare Punanga Korero</del>	<del>New Plymouth District, Stratford District, South Taranaki District</del>
<del>Māori Relationship Board</del>	<del>Wairoa District, Hastings District, Napier City, Central Hawkes Bay District</del>
<del>Hauora a Iwi Relationship Board</del>	<del>Wanganui District, Rangitikei District, Ruapehu District (Waiohuru and Waimarino Wards only)</del>
<del>Manawhenua Hauora</del>	<del>Manawatu District, Palmerston North City, Tararua District, Horowhenua District, Kapiti Coast District (Otaki Ward only)</del>
<del>Te Atiawānuitonū Māori Relationship Board</del>	<del>Upper Hutt City, Lower Hutt City</del>
<del>Matanga Toiora Māori Partnership Board</del>	<del>Kapiti Coast District (Paraparaumu, Waikanae and Paekakariki Raumati Wards only), Porirua City, Wellington City</del>
<del>Te Iwi Kainga Māori Partnership Board</del>	<del>Masterton District, Carterton District, South Wairarapa District</del>
<del>Iwi Relationship Board</del>	<del>Tasman District, Nelson City, Marlborough District</del>
<del>Tatau Pounamu Manawhenua Advisory Group</del>	<del>Buller District, Grey District, Westland District</del>
<del>Iwi Relationship Board: Manawhenua ki Waitaha</del>	<del>Kaikoura District, Hurunui District, Waimakariri District, Banks Peninsula District, Selwyn District, Christchurch City, Ashburton District, Chatham Islands Territory</del>
<del>Māori advisory committee</del>	<del>Timaru District, Mackenzie District, Waimate District</del>
<del>Te Hauora o Murihiku me Araiteuru</del>	<del>Waitaki District, Central Otago District, Dunedin City, Clutha District, Southland District, Gore District, Invercargill City, Queenstown Lakes District</del>

## Schedule 4

### Provisions applying to mortality review committees

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#### 1 Interpretation

In this schedule, unless the context otherwise requires,— 5

**document** has the same meaning as in section 2(1) of the Official Information Act 1982

**judicial proceeding** means a proceeding that is judicial within the meaning of section 108 of the Crimes Act 1961

**ministerial authority** means an authority— 10

(a) given by the Minister under **clause 6(1)**; and

(b) in force for the time being

**serious offence** means an offence punishable by imprisonment for a term of 2 years or more.

Compare: 1995 No 95 s 66 15

*Chairperson may require person to give information*

#### 2 Chairperson may require person to give information

(1) If a mortality review committee gives its chairperson, or an agent the committee appoints for the purpose, authority in writing to do so, the chairperson or agent may, by notice in writing to any person, require the person to give the committee information in the person's possession, or under the person's control, and relevant to the performance by the committee of any of its functions. 20

~~(2) A mortality review committee may authorise it~~

(3) Examples of the information the chairperson or agent may require are—

(a) patient records, clinical advice, and related information: 25

(b) answers to questions posed by the chairperson in the notice, and that the person is able to answer:

(c) information that became known solely as a result of a declared quality assurance activity, within the meaning of Part 6 of the Medical Practitioners Act 1995, or a protected quality assurance activity within the meaning of section 53(1) of the Health Practitioners Competence Assurance Act 2003. 30

(4) The person must take all reasonable steps to comply with the notice.

*Production, disclosure, and recording of information*

#### 3 Meaning of information 35

In **clauses 4 to 6**, **information** means any information—

- (a) that is personal information within the meaning of section 7(1) of the Privacy Act 2020; and
- (b) that became known to any member or executive officer or agent of a mortality review committee only because of the committee's functions being performed (for example, because it is contained in a document created, and made available to the member or executive officer or agent, only because of those functions being performed), whether or not the performance of those functions is completed. 5
- 4 Prohibitions on production, disclosure, and recording of information**
- (1) A member or executive officer or agent of a mortality review committee must not produce or disclose information to another person or in any judicial proceeding, or make any record of it, unless the production, disclosure, or record, is— 10
- (a) for the purposes of performing the committee's functions; or
- (b) in accordance with an exception stated in **clause 5**; or 15
- (c) in accordance with a ministerial authority.
- (2) In any judicial proceeding, a member or executive officer or agent of a mortality review committee must not be required to produce information in contravention of **subclause (1)**. 20
- Compare: 1995 No 95 s 70
- 5 Exceptions to prohibitions**
- Clause 4** does not prohibit—
- (a) the production, disclosure, or recording of information if the information does not identify, either expressly or by implication, any particular individual: 25
- (b) the disclosure of information—
- (i) with the consent of every person who would be directly or indirectly identified by the disclosure:
- (ii) to the Minister, or a person authorised by the Minister, for the purpose of enabling the Minister to decide whether or not to issue a ministerial authority: 30
- (iii) for the purposes of the prosecution of an offence against **section ~~48(7)~~ 75(6)** (disclosure of information contrary to this schedule).
- Compare: 1995 No 95 s 71
- 6 Minister may authorise disclosure of information** 35
- (1) If the Minister is satisfied that information relates to conduct (whenever occurring) that constitutes or may constitute a serious offence, the Minister may, by notice in writing signed by the Minister, give a ministerial authority authorising

- the disclosure of the information, in the manner, and subject to any conditions, specified in the notice, for 1 or more of the following purposes:
- (a) for the purposes of the investigation and prosecution of offences:
  - (b) for the purposes of a Royal Commission, or a commission of inquiry appointed by an Order in Council made under the Commissions of Inquiry Act 1908: 5
  - (c) for the purposes of an inquiry to which section 6 of the Inquiries Act 2013 applies.
- (2) However, a ministerial authority may be given for information of a non-factual nature (for example, expressions of opinion) only if that information consists only of matter contained in a report or advice prepared by the mortality review committee. 10
- (3) The Minister may at any time—
- (a) revoke a ministerial authority; or
  - (b) revoke, amend, or add to any condition or conditions to which a ministerial authority is subject. 15
- (4) A ministerial authority authorising the disclosure of information does not of itself—
- (a) require the disclosure of that information; or
  - (b) create a duty to disclose that information. 20
- Compare: 1995 No 95 s 72

### *Supplementary procedure*

#### **7 Supplementary procedure**

A mortality review committee may regulate its procedure, at its meetings and otherwise, in any manner not inconsistent with this Act it thinks fit. 25

## Schedule 5

### Provisions relating to imposition and payment of Ministry levies

ss 96, 97

#### 1 Interpretation

- (1) In this schedule, unless the context otherwise requires,— 5
- aggregate expenditure figure**, in relation to any financial year, means the aggregate expenditure figure assessed in respect of that year by the Minister under **clause 2(1)**
- aggregate levy figure**, in relation to any financial year, means the aggregate levy figure determined in respect of that year by the Minister under **clause 2(2)** 10
- beer** means the product of the alcoholic fermentation by yeast of liquid derived from a mash of drinking water and malt grains with hops or their extracts that on analysis is found to contain more than 1.15% volume of alcohol
- class of alcohol** means a class of alcohol as identified in the table in **Schedule 6** 15
- preceding statistical year** means the latest complete period of 12 consecutive months in respect of which, at any material time, the following information is available to the Minister:
- (a) the total number of litres of each class of alcohol imported into New Zealand during that period; and 20
- (b) the total number of litres of each class of alcohol manufactured in New Zealand during that period
- spirits** means ethyl alcohol, whether denatured or not, and any spirituous beverages, including brandy, gin, rum, vodka, whisky, and every other description of spirituous alcohol derived from ethyl alcohol 25
- wine** means the product of the complete or partial fermentation of any fruit (including grapes), vegetable, or honey, and—
- (a) includes— 30
- (i) cider, perry, and mead; and
- (ii) fortified wines such as sherry, port, and fruit or vegetable-based alcohols; but
- (b) does not include—
- (i) beer or spirits; or
- (ii) any alcohol containing no more than 1.15% volume of alcohol 35
- winemaker** has the same meaning as in the Wine Act 2003.
- (2) For the purposes of **clauses 3 and 5**, where any wine manufactured in New Zealand is sold to another winemaker for blending with other wine, the wine so

- sold is deemed to be manufactured by the person who blends it, and not by its original maker.
- (3) For the purposes of **clause 3(2)**, the total number of litres of wine manufactured in New Zealand during any statistical year is deemed to be the same as the total number of litres of wine sold by winemakers during that year. 5
- (4) For the purposes of **clauses 5 and 6**, the total number of litres of wine sold in New Zealand during any financial year is deemed to be the same as the total number of litres of wine sold in New Zealand during the preceding statistical year.
- (5) For the purposes of **clause 3(2) and Schedule 6**, alcohol that is exported from New Zealand during the preceding statistical year is not to be treated as alcohol that is imported into or manufactured in New Zealand. 10
- 2 Minister to assess aggregate expenditure figure and determine aggregate levy figure**
- (1) For each financial year, the Minister, acting with the concurrence of the Minister of Finance, must assess the aggregate expenditure figure for that year that, in his or her opinion, would be reasonable for the Ministry to expend during that year— 15
- (a) in addressing alcohol-related harm; and
- (b) in meeting its operating costs that are attributable to alcohol-related activities. 20
- (2) Having assessed the aggregate expenditure figure for any financial year under **subclause (1)**, the Minister must determine the aggregate levy figure for that year, being an amount equal to the aggregate expenditure figure less the amount that, in his or her opinion, is likely to be received by the Ministry during the financial year by way of interest on money invested by the Ministry or from third party or other revenue. 25
- (3) Nothing in this clause obliges the Ministry to expend in any financial year the whole of its income received in that year, and the Ministry may accumulate any part of its income in any financial year and expend it as it sees fit for any of its purposes in any subsequent financial year. 30
- (4) Despite **subclause (2)**, if the Ministry carries forward any such amount to a subsequent financial year, the Minister may, in determining the aggregate levy figure for that year, take into account the whole or any part of that amount.
- 3 Minister to determine amounts of levy for each class of alcohol** 35
- (1) After assessing the aggregate levy figure for any financial year, the Minister must determine, in accordance with **subclause (2)**, the amounts of the levies payable under **clause 5**, in respect of each class of alcohol, in order to yield an amount equivalent to the aggregate levy figure.
- (2) The process for determining the amounts of levy is as follows: 40

- (a) *Step 1*—for each class of alcohol, determine the total number of litres of that class of alcohol that was imported into or manufactured in New Zealand during the preceding statistical year:
- (b) *Step 2*—for each class of alcohol, multiply the result of step 1 by the appropriate rate, as set out in the table in **Schedule 6**. This gives the (nominal) total number of litres of alcohol for each class of alcohol: 5
- (c) *Step 3*—for each class of alcohol, divide the number of litres of alcohol for that class by the total number of litres of alcohol for all classes. This gives the proportion of the aggregate levy figure that is to be borne by that class of alcohol in the next financial year: 10
- (d) *Step 4*—for each class of alcohol, multiply the result of step 3 by the aggregate levy figure. This gives the amount of levy to be borne by each class of alcohol in the next financial year:
- (e) *Step 5*—for each class of alcohol, divide the result of step 4 by the result of step 1. This gives the amount of levy payable on each litre of alcohol of that class in the next financial year. 15
- (3) If a rate for a class of alcohol is described in the table in **Schedule 6** as a variable rate, the Minister must—
- (a) determine the rate to be applied to that class of alcohol; and
- (b) in making that determination, use the method for determining variable rates that is described in **Schedule 6**. 20

#### 4 Rate of levy fixed by Order in Council

- (1) The Governor-General may, by Order in Council, fix for the next financial year, by reference to each class of alcohol, the amount of levy payable under **clause 5**. 25
- (2) The amount of levy for each class of alcohol must be as determined by the Minister in accordance with **clause 3(2)**.
- (3) If a rate for a class of alcohol is described in the table in **Schedule 6** as a variable rate, the Order in Council must identify the rate determined by the Minister under **clause 3(3)** and used for the purpose of **clause 3(2)**. 30
- (4) An Order in Council made under this clause is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements).

#### 5 Levies payable by importers and manufacturers of alcohol

- (1) In every financial year, a levy of the amount set by Order in Council made under **clause 4** is payable by every person who— 35
- (a) enters for home consumption (as that expression is used in the Customs and Excise Act 2018) any imported alcohol that contains more than 1.15% volume of alcohol; or
- (b) manufactures in New Zealand any beer or spirits; or

- (c) sells any wine manufactured by that person in New Zealand.
- (2) No levy is payable under this Act in respect of any alcohol that is not subject to or is exempt from Customs duty under the Customs and Excise Act 2018.
- (3) If any person may be allowed, under the Customs and Excise Act 2018, any drawback in respect of any alcohol, that person may also be allowed a refund of any levy paid by that person under this Act in respect of that alcohol. 5
- (4) In this section, **Customs duty** has the meaning given to the term duty by section 5(1) of the Customs and Excise Act 2018.
- 6 Payment and collection of levies in respect of beer, wine, and spirits**
- (1) All levies payable under this Act in respect of any beer, wine, or spirits are payable to the Customs in addition to any duty payable to the Customs in respect of the beer, wine, or spirits under the Customs and Excise Act 2018. 10
- (2) For the purposes of **subclause (1)**, the levies are payable to the Customs at the same time as the excise duty or excise-equivalent duty is payable under the Customs and Excise Act 2018 in respect of the beer, wine, or spirits concerned. 15
- 7 Powers of Customs**
- The powers and authorities of the Customs under the Customs and Excise Act 2018, with any necessary modifications, apply in the same manner to the collection of a levy under this Act as they apply to the collection of duty under that Act. 20
- 8 All levies collected to be paid to the Ministry**
- (1) The Customs must pay to the Ministry all levies received under this Act by the Customs.
- (2) This clause is subject to **clause 9**.
- 9 Crown may be reimbursed for collection of levies** 25
- (1) For the purpose of reimbursing the Crown for any expenses incurred by the Customs in collecting any levies under this Act, the Customs may retain any percentage of every levy collected by it that may be determined by the Minister of Finance after consultation with the Ministry.
- (2) The amount of any levy retained under **subclause (1)** must not exceed 5% of the amount of the levies collected by the Customs. 30
- (3) The Crown is entitled in every financial year to recover from the Ministry out of the fund any sum in respect of the costs incurred by the Director-General of Health in administering this Act that may be determined by the Minister of Finance after consultation with the Ministry. 35



## Schedule 6

### Classes of alcohol and rates for each class

Class	Legal definition of class	Indicative description	Rate
	<i>Alcohol which, if imported, would be classified within the following tariff items</i>	<i>Percentage of alcohol by volume in most items in class</i>	
A	2203.00.12, 2206.00.37, 2208.70.30, 2208.90.62	More than 1.15% but not more than 2.5%	1.5%
B	2203.00.22, 2203.00.31, 2203.00.39, 2206.00.47, 2208.70.40, 2208.90.68	More than 2.5% but not more than 6%	Variable
C	2206.00.57, 2208.70.50, 2208.90.72	More than 6% but not more than 9%	8%
D	2204.10.01, 2204.10.18, 2204.21.18, 2204.22.90, 2204.29.90, 2205.10.19, 2205.10.38, 2205.90.19, 2205.90.38, 2206.00.08, 2206.00.68, 2208.70.60, 2208.90.78	More than 9% but not more than 14%	10%
E	2204.21.13, 2204.22.19, 2204.29.20, 2205.10.12, 2205.10.33, 2205.90.12, 2205.90.33, 2206.00.17, 2206.00.78, 2208.70.71, 2208.90.06, 2208.90.85	More than 14% but not more than 23%	Variable
F	2206.00.28, 2206.00.89, 2208.20.04, 2208.20.08, 2208.20.19, 2208.20.29, 2208.30.04, 2208.30.08, 2208.30.19, 2208.40.04, 2208.40.08, 2208.40.19, 2208.50.04, 2208.50.08, 2208.50.19, 2208.60.19, 2208.60.29, 2208.60.99, 2208.70.80, 2208.90.08, 2208.90.48, 2208.90.97	More than 23%	Variable

#### Method for determining variable rates

For a given financial year, the variable rate for a class is the average alcohol content by volume of all the alcohol of that class that was imported into or manufactured in New Zealand in the preceding statistical year. 5

#### Legislative history

20 October 2021  
27 October 2021

Introduction (Bill 85–1)  
First reading and referral to Pae Ora Legislation Committee