PHARMAC's organisational approach to equity, anti-racism and te Tiriti o Waitangi

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REPORT TO PHARMAC REVIEW PANEL

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Acknowledgements

This report has been prepared by Gabrielle Baker on behalf of Baker Consulting Ltd. The report is the second of two commissioned by the Pharmac review panel to look at the organisational approach to equity, te Tiriti o Waitangi and racism.

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Table of Contents

Executive summary

This report was commissioned as part of the Pharmac Review Panel to get a better sense of Pharmac's organisational culture, specifically in terms of equity and te Tiriti o Waitangi. It is one of several papers commissioned for the review that, when combined, aim to give the Pharmac Review Panel a comprehensive view of Pharmac and its impacts.

The report is based on information collected directly from Pharmac and a small number of key informant interviews. A rapid review of relevant literature and environmental scan (including Waitangi Tribunal jurisprudence and government direction on best practice for organisations) was also completed and helped to provide sound rationale for the findings of this report.

In considering Pharmac's organisational culture, this report considers whether Pharmac is a pro-equity organisation. In doing this it adopts our framework for pro-equity organisations, which allows us to look into anti-racism and te Tiriti o Waitangi commitments. Baker Consulting Ltd's framework is not meant as a checklist but as a way to think through how seriously the organisation takes its equity commitments and how it demonstrates these commitments in its day-to-day operations.

The key findings of this report are:

- Pharmac has organisation-wide health equity goals, but these are not as strong as they need to be. The goals are silent on a significant group (people with lived experience of disability) and carve a siloed role for Pharmac that ignores the real drivers of health inequities and the need for the whole health and disability system to work in a coherent way to tangibly improve outcomes.

- Pharmac does not have systems and processes in place that are designed to achieve equity. In interrogating Pharmac's approach to Pacific responsiveness a pattern emerges of the organisation not matching actions with its stated intentions. Looking at the whole organisation, its structure does not reflect equity commitments – although the recent appointment of a Chief Advisor Māori suggests improvements are being made. Workforce policies do not reflect the importance of or urgency around Māori health or equity and this is reflected in low number of Māori and Pacific staff and poor-quality workforce ethnicity data.

- There are high-level statements supporting a comprehensive approach to services, but there is little evidence of action falling out of these high-level statements.

- While Pharmac has acknowledged the harms caused by racism, anti-racism has not been well embedded in the organisation. There seems to be a reluctance to talk about racism, with documents favouring a focus on the more neutral term 'bias' and in the work completed to date the focus has been more on training individuals in recognising unconscious bias than on addressing the organisation's contribution to institutional racism. Pharmac has indicated work

is due to begin looking at 'systemic bias', and while this sounds promising it is hard to know if this will have a tangible impact until it is completed.

- Pharmac has shown a willingness to reflect on its application of te Tiriti o Waitangi, presumably to improve its performance. In doing so, themes of non-performativity have emerged, and specifically a disconnect between its stated commitments and its day-to-day actions. This is evident both in its operational policies and in its funding to Māori providers and calls in to question its commitments to a number of te Tiriti o Waitangi principles, including active protection and self-determination. Pharmac is currently developing a te Tiriti o Waitangi policy but based on the draft provided as part of this review significant work is required to ensure coherent approach to te Tiriti o Waitangi that will lead to tangible improvements to Pharmac's day to day operations.

Overall, there are two main themes that have emerged from our review.

1. Pharmac is generally good at saying things that sound like a commitment to equity, anti-racism or te Tiriti o Waitangi but when you scratch beneath the surface these commitments are not matched with action. In other words, there is evidence of non-performativity.[1]

2. The lack of urgency when it comes to delivering on equity priorities (including Māori and Pacific responsiveness) and the lack of focus on disability as an equity imperative demonstrates inaction in the face of need, which is itself a manifestation of institutional racism. Pharmac has known about many of the equity issues with medicines access equity, for example, for years if not decades but the responses have been inadequate.

The main recommendation of this report is that Pharmac's organisational culture needs to be more focused on equity and it will need to work with urgency to embed pro-equity approaches, including a formalised approach to anti-racism. To start this Pharmac will need to first significantly strengthening its draft te Tiriti o Waitangi policy and be better integrated into the overall health and disability systems responses to inequity.

However, the lack of progress on equity, and the gap between what Pharmac has committed to in writing and what it has completed, raise questions of whether current approaches to governance, monitoring and accountability are adequate and warrant further investigation.

[1] For a discussion on non-performativity refer to Ahmed (2006).

Introduction

In March 2021, the Government announced a review of Pharmac that focuses on two areas:

- How well Pharmac performs against its current objectives and whether and how its performance against these could be improved.

- Whether Pharmac's current objectives (with emphasis on equity for Māori and Pacific peoples) maximise its potential to improve health outcomes for all New Zealanders as part of the wider health system, and whether and how these objectives should be changed.

This report aims to support the Pharmac Review Panel by looking in some detail at the organisational culture around equity, te Tiriti o Waitangi and racism. In doing so, it builds on the interim report Baker Consulting Ltd provided to the Pharmac Review Panel in August 2021, which outlined four early observations related primarily to Pharmac's approach to equity for Māori and to Te Tiriti o Waitangi.

- Pharmac has too narrow a role to impact (in)equity
- There is a lack of a whole-of-system approach to equity and te Tiriti o Waitangi
- There has been slow progress on long-standing equity and Māori responsiveness goals
- Pharmac funding (outside of medicines funding) suggests Māori self-determination, equity and active protection are not valued within the organisation.

How we collected information

Three key steps were taken to identify and assess the organisational approach of PHARMAC to equity, te Tiriti o Waitangi and eliminating racism for this project.

Step one: rapid review of relevant literature and environmental scan (including Waitangi Tribunal jurisprudence and government direction on best practice for organisations). This step also included a search of Pharmac's website and other publicly available information to identify any further Pharmac documentation that would add to the assessment. A list of the documents provided by Pharmac is included in appendix one.

Step two: review of key PHARMAC documentation. The Pharmac review panel secretariat provided an initial set of documents it had been supplied and this was supplemented by a set of documents provided directly by Pharmac on request of the authors. A list of the information provided by Pharamc is attached in appendix one.

Step three: hearing from people and groups directly. The rapid nature of this report encouraged us to be opportunistic, sitting in on relevant verbal submissions to the Pharmac review and seeking kōrero with a small number of people who have currently work for Pharmac or have previously worked with or for Pharmac and who might have insights into the organisation's culture. Hearing from people directly helped to put documentation into context, and to identify further areas for investigation.

Framing our analysis – what is a pro-equity organisation?

There is no single checklist to assess Pharmac against to determine whether it is pro-equity. However, several factors, drawn from a range of published sources,[2] can be combined to give a sense of how seriously the organisation takes its equity commitments and how it demonstrates these commitments in its day-to-day operations. The following table outlines the elements Baker Consulting Ltd has developed for assessing the extent to which an organisation is pro-equity.

Table 1: Elements of a pro-equity organisation (Baker Consulting Ltd)

Element	Sample questions
Organisation-wide health equity goals	How is health equity framed as a strategic priority and recognised goal? Requires a definition of equity.
Structures, systems and processes designed to achieve health equity	What structures, systems and processes are in place to support health equity work? This includes decision-making processes, information systems and data collection, procurement and staff / Board and advisory group makeup, equity and Māori health capability of staff and staff recruitment and retention?
Comprehensive approach to services, including addressing the multiple determinants of health	How does the organisation understand health (in)equity and its drivers and how does it consider the needs and issues faced by populations experiencing worse health outcomes? Includes partnering with other organisations for maximum impact and focus on quality improvement and cultural safety.
Understanding the impacts of racism and actively working to address this	How does the organisation acknowledge and eliminate all forms of racism within the organisation (and its impact on populations)? This includes looking beyond 'implicit bias' to understanding and addressing how institutional racism operates for the organisation.
Working in partnership with Māori	How does the organisation ensure meaningful partnership with and representation from Māori and Iwi leaders on all boards? How does the organisation know it is working successfully to benefit Māori?

Organisational te Tiriti o Waitangi responsiveness

As with equity, there is no single checklist to determining whether an organisation is meeting its obligations to Māori under te Tiriti o Waitangi – nor should there be.[3]

Our approach has been to look both at the guidance to government organisations on building te Tiriti o Waitangi capability,[4] and the findings of the Waitangi Tribunal in stage one of its Kaupapa inquiry into health services and outcomes (in particular its articulation of principles of Te Tiriti o Waitangi as they apply in the context of primary health care, which are set out in table 2, below).[5] Combined, these sources set out a type of government minimum expectation that can be added to by government

[2] See for example: Chin et al. (2012); Ministry of Health (2014a); Wyatt et al. (2016); Spitzer-Shohat et al. (2019).
[3] Cabinet Office (2019), p. 2.
[4] Te Arawhiti (2018).
[5] Waitangi Tribunal (2019).

strategy documents,[6] published approaches to te Tiriti o Waitangi analysis[7] and the extensive work of Māori scholars.[8]

Table 2: The principles of te Tiriti o Waitangi / Treaty of Waitangi, based on the Waitangi Tribunal's *Hauora* report (2019)

The guarantee of Tino Rangatiratanga	*Māori self-determination and mana motuhake in the design, delivery and monitoring of services*
The principle of equity	*Requires the Crown to unequivocally commit to achieving equitable health outcomes for Māori*
The principle of active protection	*The Crown should act, to the fullest extent practicable, to achieve equitable health outcomes for Māori and be fully informed of Māori health outcomes and inequities*
The principle of options	*The Crown is obliged to ensure that all health services are provided in a culturally appropriate way that recognises and supports the expression of Māori models of care. It also requires the Crown to support Māori health and disability providers to fully participate in service provision.*
The principle of partnership	*Requires the Crown and Māori to work in partnership in the governance, design, delivery and monitoring of primary healthcare services.*

[6] For example, Ministry of Health (2014b); Ministry of Health (2020).
[7] For example, Baker et al. (2021), Came et al. (2020).
[8] For example, Mikaere (2011).

Does Pharmac have organisation-wide health equity goals?

Pharmac has stated equity goals, which appear to apply across the organisation's work programmes.

As it stands today, Pharmac's equity goals provide a starting point for taking a pro-equity approach but do not go far enough. The goals are silent on a significant group (people with lived experience of disability) and carve a siloed role for Pharmac that ignores the real drivers of health inequities and the need for the whole health and disability system to work in a coherent way to tangibly improve outcomes.

Background to Pharmac's equity goal

Pharmac's view is that its focus on equity started with the first Māori responsiveness and Pacific responsiveness strategies.[9] However, the first Māori responsiveness strategy is light on what we might consider an equity focus, referring to wider health and disability sector actions to 'reduce inequalities'[10] without stating what equity responsibilities fall on Pharmac.

It is only in Pharmac's third Māori responsiveness strategy, released in 2013, that equity is visible as a driving factor and objective.

> *"To redress disparities, Te Whaioranga supports and contributes to the New Zealand Medicines outcomes through:*
>
> *Access: New Zealanders have access to the medicines they need, including equity of access to medicines; and*
>
> *Optimal use: medicines are used to their best effect"*[11]

In 2017 Pharmac identified "medicines access equity by 2025" as one of three bold goals for the organisation,[12] which more recently evolved into identifying "equitable access and use" as one of six strategic priorities.[13]

Across both iterations of these equity commitments PHARMAC is clear that its focus is to change what is in its direct control and positively influence prescribing and use of medicines.[14] In documents, such as its Statement of Intent, Pharmac states that the Government expects it to improve wellbeing and equity for New Zealanders.[15] The current Minister's letter of expectation is less direct than this, saying

[9] PHARMAC (2021) Equity Briefing (for Independent Review Committee), p. 1.
[10] PHARMAC (2002), p. 5-8.
[11] PHARMAC (2013), p. 4.
[12] PHARMAC (2019).
[13] PHARMAC (2020b).
[14] PHARMAC (2021) Equity Briefing (for Independent Review Committeel), p. 2.
[15] PHARMAC (2020b), p. 1.

instead that equity is a broader health and disability system priority.[16] Equity is not mentioned in the list of specific outcomes or areas that the Minister of Health expects to see progress on. Accountabilities and monitoring will be explored further in a separate paper.

In 2019, Pharmac released *Achieving Medicine Access Equity in Aotearoa New Zealand: Towards a Theory of change*. This document is intended to prompt discussion,[17] and is not a policy or strategy document. However, it does provide definitions and explanations to the organisation's equity goals. For example, it specifies that Pharmac's work on medicines access equity applies to already funded medicines and that unfunded medicines are explicitly out of scope.[18] It also specifies that Pharmac's equity approach centres on a set of priority groups – Māori in the first instance and then other populations who experience health inequities include Pacific peoples, those experiencing socioeconomic deprivation, those from former refugee backgrounds, and those residing in rural/isolated locations. This grouping invisibilises and ignores people with lived experience of disability, without a stated rationale and despite strong evidence to suggest this group is poorly served by the health and disability system overall.[19]

That same 2019 document provides some acknowledgement that wider determinants of health, racism and colonisation play a role in creating inequitable health outcomes. Yet it goes on to narrowly define and articulate the barriers to accessing funded medicines in the community. The articulation is based on an idealised patient journey that starts with a patient recognising illness and going to visit a prescriber.[20] In taking this approach, PHARMAC classifies barriers as either patient-centred or health system. Neither of these groups of barriers manages to fully incorporate the drivers of inequity or the pathways that contribute to inequity, such as differential access to the determinants of health, differential access to health care and differences in quality of care.[21] Nor does this patient journey truly capture the pervasive impacts of racism on differential health outcomes.[22]

[16] Minister of Health (2021), p. 2.
[17] PHARMAC (2019), p. 3.
[18] PHARMAC (2019), p. 7.
[19] King, P (2019)
[20] PHARMAC (2019), p. 23.
[21] Jones (2001) as cited in Reid, & Robson (2007), p. 7.
[22] Talamaivao et al (2020).

Does Pharmac have structures and processes in place that are designed to achieve health equity?

This report seeks to focus attention on a subset of Pharmac's internal structures and processes (and ways of working) to highlight whether it is taking opportunities to embed pro-equity approaches in its day-to-day work. We have looked specifically at four areas:

- Does Pharmac commit to actions that will achieve its equity goals?
- Does Pharmac's organisational structure reflect its equity commitments?
- Do Pharmac's workforce expectations and policies reflect a commitment to equity?
- Does the make-up of Pharmac's advisory groups reflect a commitment to equity?

Three other important aspects of whether Pharmac structures and processes are designed to achieve equity (decision-making, funding, and accountability and monitoring) are subjects of separate papers for the Pharmac Review Panel and are not addressed in any depth here.

It was also noted in the small number of interviews conducted with Pharmac staff that Pharmac's new organisational values (whakarongo (listen), tūhono (connect), wānanga (learn together), māia (be courageous) and kaitiakitanga (preserve, protect and shelter)) are driving a commitment to equity and Māori responsiveness at all levels. This assertion is difficult to assess as the values are new, and examples given of their current use (informing debate, helping to grapple with issues within projects or work areas) were expressed in general terms only. It may be worth exploring these further as part of the accountability culture of the organisation, but they are not explored further in this report.

Looking across the four areas interrogated in this report it appears that while the organisation has some structures and processes in place these are not proportionate to the level of change required and the size of the equity challenges facing Pharmac.

Does Pharmac commit to actions that will achieve its equity goals?

Case study: Pacific Responsiveness in Pharmac – insufficient action to address need

Pacific health inequities are well established and evidenced across the health and disability system. When it comes to pharmaceuticals, key results from the 2017/18 *New Zealand Health Survey* show Pacific adults are more than twice as likely as non-Pacific and non-Māori adults to not have collected a prescription due to cost, after adjusting for age and gender. This is also the case for Pacific children compared to non-Pacific and non-Māori children.[23]

[23]Ministry of Health (2019).

Pharmac's first dedicated Pacific response came in 2006 when it sought views on a strategic response to improving Pacific health through access to pharmaceuticals.[24] Since then, despite the creation of two Pacific Responsiveness Strategies, there is no evidence of widespread improvement of Pacific outcomes or access to pharmaceuticals and there is little evidence of the organisation putting in place systems and processes to lay a foundation for equity.

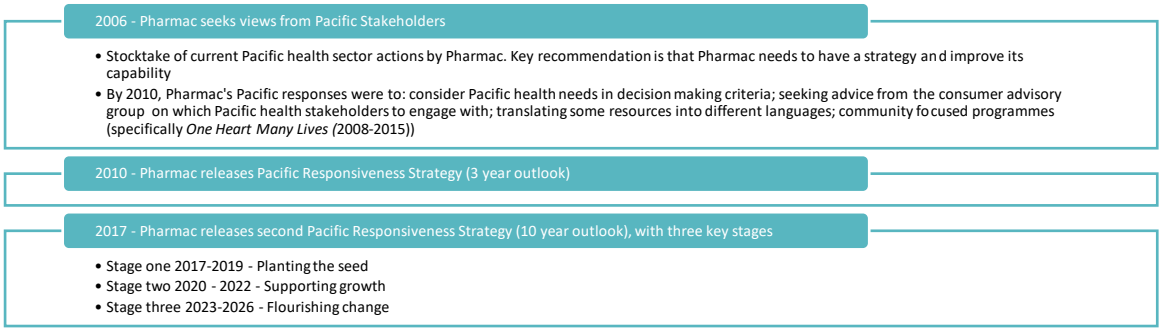

Figure 1: Timeline of key stages of Pharmac's Pacific responsiveness

Pharmac documents acknowledge Pacific health inequities as a driver for its work in improving medicines access.[25] Precisely what Pharmac does to eliminate inequity for Pacific populations is, however, harder to find in documents and therefore the best place to look is Pharmac's two Pacific responsiveness strategies.

2010 Pacific Responsiveness Strategy

The first *Pacific Responsiveness Strategy* (2010) outlines Pharmac's view on the relevant issues in Pacific health as:

- Pacific people experience significant inequalities in several health areas and have lower overall health status than other populations
- The primary diseases experienced by pacific peoples can be positively modified by Pharmaceuticals.

The 2010 strategy then sets out 19 actions for Pharmac in the coming three years. These actions, even when combined, do not give a sense of a response proportionate to the embedded health inequities Pharmac is seeking to eliminate.

Some of the actions are difficult to interpret, as they are not well articulated (eg "make available Pacific health research outcomes")[26] and others are repeated (eg, two of the 19 actions relate to ensuring messages of Pharmac campaigns are tailored to Pacific groups). Other actions are sensible, but include significant caveats which reduce the impact of the action (eg ensuring consultation with Pacific

[24] PHARMAC (2021) Pacific responsiveness briefing (for Independent Review Committee), p. 1.
[25] PHARMAC (2019), p. 6.
[26] PHARMAC (2010), p. 7.

stakeholders "where medicines funding decisions are of significant relevance")[27] or are so unspecific they become almost meaningless (eg "consider Pacific health needs when deciding on new [access and optimal use] campaigns").[28]

2017 Pacific Responsiveness Strategy

Seven years later Pharmac released its second *Pacific Responsiveness Strategy* (2017), this time with a ten-year outlook. Compared with the 2010 strategy, the 2017 document is more polished, involved engagement with Pacific health experts, and gives more of a sense of the strategic direction Phamac is taking. Substantively, however, it maintains a commitment to what might be described as 'low hanging fruit', which is ultimately disproportionate to the nature of the inequities Pharmac is attempting to address.

The 2017 strategy's purpose is to "support Pacific people in New Zealand to live healthy lives through improved and timely access to, and use of, medicines and medical devices".[29]

Pharmac outlines that it will influence health outcomes of Pacific people on three levels:

- Connecting with Pacific communities directly
- Embedding Pacific perspectives into Pharmac as an organisation
- Influencing change in the health system.

The strategy sets out three distinct stages, starting with planting the seed (2017-2019), then supporting growth (2020-2022) and ending with flourishing change (2023-2026). Actions in the strategy relate only to this first stage and are mapped to the three levels at which Pharmac will influence Pacific outcomes.

The actions to embed Pacific perspectives into Pharmac as an organisation largely relate to raising staff awareness and building staff skills (eg raising awareness of health disparities as part of training for Phamac staff, and developing skills and knowledge within Pharmac to support application of the Factors for Consideration in regards to population groups 'experiencing health disparities').[30] For context, the Ministry of Health invested in raising awareness of inequalities throughout the health and disability sector in the early 2000s, so it is concerning that this is the level of action identified as a priority in 2017. Another set of actions at a system level relate to merely building relationships with other government agencies (including DHBs and the Ministry of Health),[31] which are concerning given this was meant to be an action the 2010 strategy.[32]

Perhaps because of a lack of clear rationale or evidence base, some of the content of the strategy lacks credibility. For example, when explaining how it will embed Pacific perspectives within Pharmac, the strategy states "We will look at the success that *Te Whaioranga* has had in building expertise and

[27] PHARMAC (2010), p. 7.
[28] PHARMAC (2010), p. 7.
[29] PHARMAC (2017), p. 1.
[30] PHARMAC (2017), p. 5.
[31] PHARMAC (2017), p. 6.
[32] PHARMAC (2010), p. 8.

capability in Te Ao Māori within the organisation, to help guide a similar enhancement of understanding and appreciation".[33] There is no evidence that *Te Whaioranga* has led the levels of expertise and capability that any group should aspire to – and in fact low Māori workforce number remain low despite being a *Te Whaioranga* priority for close to two decades.[34]

There are, however, some actions that if implemented *might* be part of a comprehensive pro-equity approach within Pharmac. These actions, such as "change internal processes where required to ensure Pacific health considerations and perspectives are factored into Pharmac's work"[35] and "ensure Pharmac's external advisory groups take into account, and provide high-quality advice on, considerations important to the health of Pacific people"[36] (both actions to be completed by 2019), show an understanding of the need to change internal practices but are light on detail about what might actually be involved. Pharmac notes these two actions as only partially achieved to date.[37]

Has the 2017 Strategy been implemented?

Leaving to one side whether the Pharmac Strategies are enough of a commitment to improving Pacific health outcomes and achieving equity, it is important to also investigate whether Pharmac is delivering on its commitments to Pacific health set out in its stage one activities under the 2017 strategy (through to 2019).

By its own account, Pharmac has achieved fewer than half of its actions (11 out of 24). Completed actions tend to be amongst the least challenging and least likely to have a significant impact by themselves. These actions are especially focused on raising awareness amongst health professionals or staff, building relationships with other government organisations or in merely embedding the need to *consider* Pacific populations into responsible use of pharmaceuticals activities *as appropriate* (emphasis added).

One of the completed actions does appear more substantive ("facilitated or undertake research relating to access or use of medicines by Pacific peoples"). Pharmac view this as completed on the basis of:

- Partnering with the Health Quality and Safety Commission to fund some elements of Whakakotahi (its primary health care quality improvement programme) including a Type 2 diabetes programme led by the Tongan Health Society
- Partnering with Arthritis New Zealand to evaluate two gout management programmes, one of which, Owning My Gout, predominantly enrolled Pacific patients with gout residing in the Counties Manukau DHB.

Whakakotahi evaluations, commissioned by the Health Quality and Safety Commission, are generally positive about Pharmac's involvement, but it is difficult to get a sense of the size of the projects funded

[33] PHARMAC (2017), p. 3.
[34] For more discussion on Pharmac's Māori workforce refer to our early observations report.
[35] PHARMAC (2017), p. 5.
[36] PHARMAC (2017), p. 5.
[37] PHARMAC (2021) Pacific responsiveness briefing (for Independent Review Committee), p. 9.

by Pharmac and how much investment was involved (although it is clear that Pharmac funding supported three of the nine Whakakotahi projects in 2019).[38] One evaluation report noted that while the Tongan Health Society project in Auckland led to "improvement in medicines access equity, with patients enquiring about picking up scripts" and "noticeable increase in patient engagement with their health"[39] a number of system level issues were raised that fall outside of the Whakakotahi project but nevertheless directly impact access to medicines. These include the cost of medicines and devices, and the costs of general practice visits (even where prescriptions are low or no cost). As one evaluation participant is quoted as saying:

> *"Despite what we do, the biggest barrier to medicine access equity remains the cost, all costs associated with getting and taking medication."*[40]

Whatever its size, it seems unlikely that funding one Pacific focused project and evaluating another programme with high Pacific patient enrolment is sufficient demonstration of a commitment to eliminating inequity. In other words, while this is more substantive than other completed actions, it is perhaps best thought of as the minimum a reasonable person would expect from an organisation that has identified Pacific health as a strategic priority.

Pharmac has also 'partially achieved' 11 actions and not achieved two actions. This review has not looked into the adequacy of these assessment but as a general observation, the term 'partially achieved' appears a broad one and includes situations where adjacent work was carried out, even if it was not directly related to the action reported on.[41]

It is noted that overall responsibility for the Pacific Responsiveness Strategy sits with one staff member, further reinforcing the disconnection between high level commitments and what Pharmac invests in organisationally.

Does Pharmac's organisational structure reflect its equity commitments?

Across the New Zealand health and disability system it is common to see executive team structures reflecting organisational priorities. Since the 1990s, this has generally included a dedicated Māori role, often with a team/unit,[42] which at times is described as an expression of the Crown's Treaty of Waitangi

[38] Gasparini and Appleton-Dyer (2020).
[39] Boswell et al. (2020), p. 34.
[40] Boswell et al. (2020), p. 39.
[41] For example, the action "ensure PHARMAC's external advisory groups take into account and provide high-quality advice on, considerations important to the health of Pacific people" is partially achieved, but the internal Pharmac reporting notes "the recruitment process for clinical advisors was reviewed to meet Te Tiriti o Waitangi obligations and look at diversifying membership. Work has also been undertaken to review and update the PTAC and PTAC subcommittee Terms of Reference to promote diversity of membership. The consideration of Pacific health need is visible in our prioritisation processes." None of this reporting relates to the action on the face of it.
[42] Durie (1998), p. 189.

principle of "participation",[43] and seen as a way to spearhead integration of equity issues across an organisation.[44]

Chief Advisor Māori position

For the first time in its history,[45] Pharmac has a Chief Advisor Māori position on its senior management team. This role is less than a year old, despite this type of position being well established in other health sector Crown entities.[46] There are no dedicated positions for any of Pharmac's other priority groups (such as Pacific populations, refugee or rural populations) nor for groups that are not currently well served by the health and disability system (e.g. people with lived experience of disability).[47]

The Chief Advisor Māori position is seen as a positive move by external stakeholders.[48] As it was an action for Pharmac in the most recent iteration of *Te Whaioranga,*[49] the appointment to Chief Advisor Māori is an example of the organisation delivering on its strategic commitments to Māori and equity.

In the organisation structure the Chief Advisor Māori role has no team of its own. It is one of only two positions on the senior management team without line management responsibilities – the other one a fixed term position. In informant interviews, it appears that the Chief Advisor Māori role is able to call on resource from across other teams and has a working relationship with the small number of Māori staff across the organisation.[50]

There is a tension, however, in Pharmac's establishment of the Chief Advisor role without either a dedicated budget or a dedicated team. On one hand, it makes it clear that the responsibility to embed *Te Whaioranga* and equity sits with the organisation as a whole and frees up the Chief Advisor Māori for the actions it is accountable for. These actions are largely focused on influencing the senior management team and building external relationships:

- Shaping the long-term role on the senior leadership team and identifying long-term business need
- Establishing a Māori advisory rōpū to provide initial and ongoing advice
- Leading and fronting the refreshed *Te Whaioranga* with Māori stakeholders
- Providing mātauranga Māori and Te Ao Māori perspectives at the senior leadership team and within Pharmac.[51]

[43] Came & Tudor (2017).
[44] Chin et al. (2018), p. 13.
[45] This view was shared in two separate key informant interviews, although it is noted that there have been Māori leadership roles at 3rd tier in the past.
[46]As at October 2021, publicly available information on DHBs show two (out of 20) do not identify a second tier (executive-level) Māori health role (Hawke's Bay and South Canterbury). It is noted, however, that in some DHBs the role is jointly responsible for Pacific health (such as Canterbury DHB).
[47] Based on Pharmac Organisation Chart, 7 May 2021.
[48] Two external key informant interviews.
[49] PHARMAC (2020c), p. 8.
[50] There are 6 other dedicated Māori positions under the Director of Engagement and Implementation. In May 2021 these were mostly vacant but it is understood they have since been filled.
[51] Chief Advisor Māori position description.

On the other hand, the lack of a dedicated budget or team could compromise the ability of the role to deliver on several its key focus areas, some of which will be resource intensive and the combination of which are a lot to ask from one individual. These include:

- Work with the Chief Executive to shape Pharmac's long term approach to Māori leadership
- Provide strategic advice and support on Māori health
- Provide direction and advice on implementation of *Te Whaioranga* including engagement with Māori
- Establishing and maintaining relationships with Māori (with the Chief Executive)
- Support Pharmac to respond to and work with Māori on important issues
- Working with the senior leadership team to support fulfilment of their accountabilities under Te Tiriti o Waitangi and *Te Whaioranga*.

With the position having been in place for less than a year, it is difficult to determine whether these tensions are being sufficiently managed. Overall, it is promising – but Pharmac need to be able to regularly review whether the role needs to have a team and budget and be prepared to put these supports in place.

Equity, Māori health and Pacific health positions throughout the organisation

In addition to a new senior management team position, Pharmac has dedicated roles with an equity, Māori health or Pacific health focus (these are referred to from this point as "equity roles"). There are no dedicated roles for other population groups identified as a priority by Pharmac or for issues related to disability.

Without a deep dive into the work programmes of these teams and roles it is possible only to make the high-level observation that there does not seem to be a strong a structural response to ensuring equity, Māori health and Pacific health expertise across the organisation. Pharmac will necessarily have to work hard to ensure all roles are (rapidly) equipped to deliver on equity obligations (which means more than mere awareness raising, as discussed in the Pacific responsiveness case study).

Other observations on the equity roles include:

- The equity roles comprise six dedicated Māori roles,[52] one Pacific advisor and four other roles with an explicit equity focus (eg part of the Access Equity team).[53] Combined with the Chief Advisor Māori role this makes 12 equity roles[54] in amongst around 170 roles (note roles is not the same as full time equivalent staff).

[52] Kaiwhakahaere Te Whaioranga – Manager Te Whaioranga, Principal Adivsor Rōpū Engagement, Senior Advisor Systems, Te Whaioranga Strategy Senior Project Lead (fixed term), Māori Programmes Coordinator and Senior Māori Programmes Lead.
[53] Manager (Access Equity), Senior Advisor Access Equity, Senior Comms Advisor (fixed term) and Principal Analyst, Access equity.
[54] One role – Principal Analyst Access Equity –appears in two teams in the organisation chart. This is assumed to be the same role shared across two teams.

- Given that the 2018 pro-equity review of Pharmac also highlighted concerns with the lack of critical mass for Māori responsiveness and equity,[55] still only having only 7% of roles focused on equity seems like too small a transformation over three years.
- Outside of the Chief Advisor Māori role, all equity roles report to the Director of Engagement and Implementation. In its position description, this Director role is responsible for the development of *Te Whaioranga* and for leading the *Access Equity Team* and for developing and contributing to policy, strategy, and relationship management, but has no responsibilities for achieving equitable outcomes. The role's person specifications are broad with the only direct requirement being a "strong knowledge of Māori health issues and how to strengthen the positive role subsidised medicines can play in the health and wellbeing of Māori".[56] There is no reference to equity, Pacific health, or disability in the person specifications.

Do Pharmac's workforce policies reflect a commitment to equity?

Low numbers of Māori staff suggest a lack of commitment to building a Māori workforce

As previously noted, Pharmac has failed to recruit and retain Māori staff. Despite decades of commitment to building the number of Māori staff, the numbers have in fact declined since 2015 (for 6 to 4). This begs the question: is Pharmac's commitment to building a Māori health workforce just lip-service? Certainly, it would be reasonable to expect that if building Māori staff numbers was more than a slogan for the organisation there would be a clear narrative explaining the lack of progress. Instead, Pharmac's Māori responsiveness briefing to the Pharmac review panel is silent on what has happened in previous years in this area.

In interviews Pharmac staff indicated Māori staff numbers are likely to have increased in the past three months, so may be slightly improved from the data reported by Pharmac to date. The change is likely to be relatively small and therefore do impact the overall findings on Māori staff numbers, especially given these observations have been made on data dating back to 2015.

HR information systems may not be providing credible ethnicity data

Looking overall Pharmac staff numbers by ethnicity, the numbers of Pacific staff are very low (with only 1 staff member recorded for 2015-2019, and 2 staff members recorded with Pacific ethnicity 2020-2021). However, the credibility of this data is questionable. Pharmac itself states "it is likely that our ethnicity information does not capture the full picture".[57] The way the data is reported strongly suggests that the health and disability sector's *Ethnicity Data Protocols*,[58] based on the way the ethnicity data is presented (for example it is not clear how multiple ethnicities are dealt with in the Pharmac data). This is particularly true for the years before 2017, where Pharmac has used idiosyncratic ethnicity

[55] Baker & Jones (2018), p. 9.
[56] Position Description: Director of Engagement & Implementation (March 2018).
[57] PHARMAC Personal communication (3 August, 2021), p. 3.
[58] Ministry of Health (2017).

outputs (eg "NZ European/Pākehā & American")[59] but is still concerning in more recent data which refers to "ethnicity / country of origin",[60] suggesting deviation from the protocols. Given the *Ethnicity Data Protocols* are meant to apply to "employees of health and disability organisations and agencies – for example for health workforce statistics"[61] – and given how crucial good quality ethnicity data is for the health and disability system's equity efforts – the lack of a consistent approach to ethnicity data in Pharmac's HR systems is concerning.

There is no organisational data on number of staff with lived experience of disability

When asked about disability information on Board members, committee members or staff, Pharmac state:

"Pharmac has not collected information on whether Board members, Committee members or Pharmac employees identify as having a disability".[62]

Pharmac's *People and Capability Strategy* lacks a sense of urgency

Pharmac's *People and Capability Strategy* was released in 2020 and aims to provide "the high-level roadmap to take the organisation forward over the next four years".[63] One of the drivers of the *People and Capability Strategy* is to do more as a partner under te Tiriti o Waitangi, in line with the refreshed *Te Whaioranga* strategy.

The *People and Capability Strategy* itself is standard-looking and, apart from choosing to focus on diversity and inclusion (which is often criticised by academics and health professionals because "it feels good for a large number of people precisely because it is depoliticized. It does not demand accountability").[64]

The lack of urgency is illustrated in two examples:

1. The timeframes for action are overly generous. One key indicator of success is to have Māori senior leadership in place in Pharmac by 2023[65]. On face value this appears to relate to the appointment of a Chief Advisory Māori and if this case the timeframes are extraordinarily generous and it is surprising the position has been recruited ahead of this schedule. If this is in fact about developing an approach to building more Māori senior leadership in the organisation (i.e. more than one role) then the timeframes are still generous but less glacial.[66]

[59] PHARMAC Personal communication (3 August 2021).
[60] PHARMAC Personal communication (3 August 2021).
[61] Ministry of Health (2017), p. 4.
[62] PHARMAC Personal communication (3 August, 2021), p. 1.
[63] PHARMAC (2020a), p. 2.
[64] DeSouza (2018), p. 14.
[65] PHARMAC (2020c), p. 7.
[66] This could also be an example of a poorly worded strategy. The wording throughout this document is variable, and at times very dated (for example refering to "Māori and Polynesian staff" (PHARMAC 2020c, p. 8)).

2. The goals and actions do not always match. Although increasing Pharmac's Māori and Pacific workforce is a key indicator of success, none of the actions under diversity and inclusion are directly focused on this. Instead, where specific groups are mentioned, the focus is on ensuring gender equity and achieving Rainbow accreditation (worthy actions, but not ones that match the goals).

Pharmac is able to document and share its approach to gender pay equity

For the 2020/2021 financial year Pharmac's gender pay gap was 6%, with the median hourly rate for females being $50.50 and for males $53.47.[67] Pharmac compares favourably with the wider public service (the gender pay equity gap across the public service was 10.5% in mid-2020).[68] Pharmac's view is that its gender pay equity gap is mostly attributed to a higher percentage of females in roles in lower pay bands or in part-time roles.

Over the last ten years the median salaries have dropped for each of the two groups, but more so for females.

Although Pharmac has indicated it regularly reviews pay equity by ethnicity it has not provided this information because the small number of staff recorded as ethnicities other than NZ European could make employee information identifiable. As a result it is not possible to see if the gender pay inequities are compounded by racism.

As already mentioned, Pharmac does not collect information on disability and, therefore, does not investigate pay equity by disability.

Does the make-up of Pharmac's advisory groups reflect a commitment to equity?

Pharmac has not routinely collected ethnicity, disability, or gender data from membership of its clinical advisory committees (the Pharmacology and Therapeutics Advisory Committee (PTAC) and its subcommittees). This implies a lack of interest, in previous years if not currently, in how key advisory groups reflect the population, notwithstanding issues of whether the make-up of the groups reflect the values of the organisation.

However, Pharmac has recently sought ethnicity and gender data from clinical advisory committee members which shows:

- 152 of clinical advisory committee members provided ethnicity data. As with the HR data provided, there are indicators that the 2017 Ethnicity Data Protocols have not been followed.

[67] PHARMAC Personal communication (4 August, 2021), p. 1. It is assumed that the analysis is based on self identified female gender compared with self identified male gender. No information is provided for gender diverse groups.
[68] State Services Commission (2020), p. 8.

- Of those who provided ethnicity data, 70% identify as NZ European (this does not include people who identified as multiple ethnicities such as NZ European (South African)) and 3% identify as Māori (this includes people who identify as more than one ethnicity). In comparison, 6% of respondents identified as "British".
- On the data provided, no clinical advisory committee members identify as a Pacific ethnicity.
- 140 of the 205 clinical advisory committee members who provided gender information, 41% identified as female and 59% as male.

Even without routinely collected demographic data, Pharmac clearly has enough information to be concerned about the composition of these groups and their apparent monoculturalism. By its own admission, Pharmac needs to increase the "diversity" of the membership of its clinical advisory committees, and is planning work in this area.[69]

Similarly, Pharmac does not routinely collect demographic data on its consumer advisory committee members. However, the current membership appears to being quite different to the clinical advisory committees, painting a more pro-equity picture. Of the ten current members, eight are female (two are male) and four members are Māori, two are of Pacific ethnicities and four are non-Māori, non-Pacific. Commentary provided by Pharmac on the ethnicity data reinforces the evidence that *Ethnicity Data Protocols* are not being followed.

On a more positive note, as indicated in our early observations report, a Māori Advisory Rōpū has recently been established to provide access to external Māori health capability to the organisation.[70] This approach was recommended in the 2018 Pro-equity review commissioned by Pharmac[71] and is largely positive. However, caution has been shown by some external stakeholders. For example, one submission provided to the Pharmac Review Panel spoke of the potential unintended consequences of an external Māori Advisory group being the creation of disincentives for Pharmac to build its own Māori health and equity capacity and capability.

[69] PHARMAC Personal communication (3 August, 2021), p. 3.
[70] PHARMAC (2021) Equity Briefing (for Independent Review Committee), p. 2.
[71] Baker and Jones (2018); it is noted that PHARMAC has demonstrated a willingness to get advice on how to apply te Tiriti o Waitangi and equity within the organisation. This observation however is focused on how long it takes the organisation to act on these kinds of findings.

Comprehensive approach to services, including addressing the multiple determinants of health

As articulated in our early observations report, Pharmac could do more to take a comprehensive approach to equity. In its 2019 document *Achieving Medicines Access Equity in Aotearoa New Zealand – towards a theory of change,* PHARMAC specifies that its work on medicines access equity applies to already funded medicines and that unfunded medicines are explicitly out of scope.[72] This further narrows the focus of PHARMAC's equity work.

A comprehensive approach to the determinants of health is seen as core to organisations taking equity commitments seriously.[73] In this case, PHARMAC's narrow approach to understanding barriers to health equity in medicines access coupled with a its narrowly defined equity obligations compromise a pro-equity approach. Furthermore, they can lead PHARMAC identifying set of solutions that, even if fully implemented, are unlikely to make the strides towards equity that PHARMAC requires to achieve its goals.

Understanding the impacts of racism and actively working to address this

In Aotearoa and internationally the experience of racism is a determinant of health that negatively impacts on good health and wellbeing and is a cause of ethnic inequities.[74] In Aotearoa, it is unlawful to discriminate on the ground of colour, race, ethnicity, or national origin[75] and "racism and its many manifestations are breaches of international human rights obligations and, in the Aotearoa New Zealand context, te Tiriti o Waitangi".[76]

While Pharmac has acknowledged the impacts racism has on inequities and has identified the need to address "bias", it is not well embedded in the organisation.

Racism operates on different levels

Understanding the impacts of racism starts with an understanding of the different levels on which racism operates, and then taking action to eliminate racism at each of these levels.

[72] PHARMAC (2019), p. 7.
[73] Wyatt et al. (2016).
[74] Williams et al. (2019); Talamaivao et al. (2020).
[75] Human Rights Act 1993
[76] Talamaivao et al. (2021).

Table 3: Three levels of racism (adapted from Dr Camara Jones, 2000)[77]

Institutional racism	Structural in nature (captured in things like differential access to the determinants of health, driven by policies and legislations). Includes inaction by the health and disability system in the face of need of Māori health need.
Personally mediated racism	Intentional and unintentional discrimination (or bias) expressed by one person to another person or group, based on differential assumptions about the abilities, motives, and intentions of others. Personally mediated racism maintains the structural barriers (and advantages for some) created by institutional racism.
Internalised racism	Acceptance of negative stereotypes and beliefs of yourself / your own ethnic group. It involves accepting limitations to your own right to self-determination.

Across New Zealand's health and disability system, it is apparent that organisations (including government agencies) are increasingly recognising the existence and impacts of racism at a strategic level, however the tangible responses to this are almost entirely at an individual level (such as raising awareness amongst and skills within the health workforce).[78] Terms like bias, rather than institutional racism, tend to reinforce this approach by framing the issue in a more sanitised way. Internationally, this use of "bias" is seen as a deliberate tactic:

> *"Equality, diversity and inclusion's unconscious bias denies the need for institutional action because it focuses on the individual, volunteerism and minimising white fragility*".[79]

Pharmac has acknowledged racism's impacts but there is little evidence of corresponding action

Pharmac has acknowledged racism as a determinant of health for Māori,[80] but this is not further reflected in either its strategy or organisational policy documents. Instead, its view is that the solutions sit in addressing bias. Sometimes this is referred to as systemic bias by Pharmac – indicating that there is an understanding of the necessity to look beyond individual training. No explanation is given as to why the more widely accepted term "institutional racism" is not used instead.

For a strong organisational approach to racism (and anti-racism), leaders and decision makers in health and disability organisations have a responsibility to; name, implement and commit to long term anti-racism action (via policies and interventions).[81]

In terms of its public facing commitments to addressing racism, a simple search of the Pharmac website identifies two references to racism – both in *Te Whaioranga*. There are more references to bias (25 in

[77] Jones (2000).
[78] Talamaivao et al. (2021)
[79] Tate (2018), p. 158.
[80] PHARMAC (2020c).
[81] Derived from a range of sources, such as: Ben et al. (2020); Bourke et al. (2019); Hassen et al. (2021); Smedley et al. (2019).

total) but again many of these relate to *Te Whaioranga*, highlighting a lack of demonstrated commitment to anti-racism across the organisation.

Looking at position descriptions for members of the Pharmac senior management team, there is only one mention of bias (in the Chief Advisor Māori position description – although this is as part of describing *Te Whaioranga* and is not related to any accountabilities or responsibilities of the role) and no mention of obligations to identify or eliminate racism.

Substantive work to respond to "systemic bias" is yet to be scoped by Pharmac, but it is expected to start soon.[82] The work on systemic bias was signalled in *Te Whaioranga* and "intends to identify barriers within Pharmac's systems that contribute to inequity for Māori".[83] Pharmac expects that this will lead to the development of measures and a process for routinely monitoring, reporting and addressing bias in its system. This sounds promising, but until it is completed it will be hard to know if this will have a tangible impact.

Addressing bias is also part of Pharmac's people policies (eg *Diversity and Inclusion Policy*) and it is noted that "all staff have been involved in workshops on diversity and inclusion, on unconscious bias and improving cultural intelligence".[84] While racial harassment is mentioned in these policies, it is only in relation to talking about legislated obligations and definitions.[85]

Pharmac will need to do more explicitly to counter racism if it is going to make the inroads into inequity in medicines access equity and in health outcomes generally. This includes self-assessment and reflection on how its commitment to health equity can incorporate a strengthened and visible anti-racism approach throughout the entire organisation and what actions can be taken to reduce and eliminate the harmful impacts of racism on health. Key elements of an organisational anti-racism approach include leadership commitment and accountability, embedding long term change (that can withstand the changes in political will), implementing (and reorienting existing interventions) multi-level interventions and embedding evidence-based research, monitoring and evaluations to assess progress, provide evidence on what works and further embed the anti-racist focus of an organisation.[86]

[82] Key informant interviews indicate the position to lead this work is still vacant.
[83] PHARMAC (2021) Equity Briefing (for Independent Review Committee), p. 5.
[84] PHARMAC (2021) Pacific responsiveness briefing (for Independent Review Committee).
[85] Employment Relations Act 2000, s109.
[86] Ben et al. (2020); Bourke et al. (2019); Hassen et al. (2021); Smedley et al. (2019).

Working in partnership with Māori as a commitment to te Tiriti o Waitangi

Working in partnership is listed as our final element of a pro-equity organisation because it is an essential underpinning of all other principles. For the purposes of the Pharmac Review Panel's work, we have broadened this element to look not just at partnership with Māori but at how Pharmac has responded to and honoured its obligations under te Tiriti o Waitangi.

Pharmac has commissioned an assessment of how well it is applying te Tiriti o Waitangi

At the end of 2020 Pharmac commissioned an organisational te Tiriti o Waitangi review. The review considered three specific areas and, although it is described in different words, found similar evidence of non-performativity as we have found in our organisational culture review.

The overarching findings of the commissioned review are outlined in table 4.

Table 4: Observations derived from Pharmac's 2020 organisational te Tiriti o Waitangi review

Pharmac work area	Observations
Strategic decision-making	For decision-papers (to the Board and senior management team) existing templates are not detailed enough. Not enough Māori involvement in strategic decision-making. Overall, staff need to be better trained to apply te Tiriti o Waitangi, Board and senior management team members need to be better able to assess for te Tiriti o Waitangi compliance and more Māori need to be involved in decision-making.
Pharmac's operating policies and procedures	While the operating policies and procedures state a commitment to upholding the principles of te Tiriti o Waitangi, the content of the operating policies and procedures do not reflect Pharmac's commitment, and therefore the operating policies and procedures are not compliant with te Tiriti o Waitangi.
Funding decisions	The Factors for Consideration do not require consideration of te Tiriti o Waitangi and is therefore not a te Tiriti o Waitangi compliant tool. The funding application process needs to apply a te Tiriti o Waitangi / Māori lens. There needs to be an increase in Māori membership on committees.

The report itself is an example of Pharmac seeking to reflect on its own performance with the aim, presumably, to do better. The report makes sensible recommendations for Pharmac to follow, focused on Pharmac getting its internal business processes in order. The report also appears logical and thorough although it is not possible to fully assess the version of the report provided by Pharmac as it does not include references.

Pharmac has developed a draft te Tiriti o Waitangi policy

Following its te Tiriti o Waitangi review, Pharmac has developed a draft te Tiriti o Waitangi policy. It is outside the scope of this review to comment on the policy in detail – especially given its draft nature. However, while it is positive that Pharmac is seeking to be explicit about what its commitment to te Tiriti o Waitangi involves, the document itself is confused and appears flawed.

The policy attempts to marry an approach that applies the articles of te Tiriti o Waitangi (such as that set out for government organisations by Te Arawhiti) with the principles of te Tiriti o Waitangi as articulated by the Waitangi Tribunal in 2019. These two approaches are not necessarily at odds but what Pharmac has done is mapped each of the principles to one of the articles and added in the fourth article ("Wairautanga" (sic)) despite this not being part of Te Arawhiti guidance for government organisations. In all, substantial more work is needed to articulate Pharmac's policy in addition to the substantial work required to operationalise it and make it real.

Interviews with Pharmac staff indicated they are aware significant work is needed on the policy, including being more specific about obligations of staff to give effect to Pharmac's te Tiriti o Waitangi commitments. This, again, seems sensible but the challenge is Pharmac seeing this through in a way that creates specific obligations that are also ambitious and are proportionate to the ground pharmac has to make up to honour te Tiriti o Waitangi in all aspects of its work.

Funding suggests Māori self-determination, equity and active protection are not seen as important as other priorities

As noted in our early observations report, the size of the equity problem Pharmac faces is huge, yet the level of organisational investment to directly address this challenge is decreasing (from over $2 milllion in 2011-12 to just less than $650,000 in 2013-14). The decrease in funding raises questions about Pharmac's commitment to the principles of te Tiriti o Waitangi – in particular equity and active protection.

Looking specifically at funding to Māori providers and organisations, PHARMAC have indicated it spends around $328,000 per annum. This funding includes:

- $175,000 to Whānau Ora Collective partners to self determine and deliver community programmes
- $103,500 to support partnerships with Māori health professionals (including sponsorship, scholarship and community events)
- $50,000 for wānanga for keeping whānau safe with medicines (although this is paused for the time being due to lack of skilled facilitators)

Funding to Māori providers is one way to look at the level of tangible commitment an organisation has to both partnership with Māori and to Māori self-determination. It is difficult to say whether the PHARMAC funding figure is sufficient but, on the face of it, it looks too small. It is outside the scope of this report to say what an appropriate level of funding would be for these activities. However, to give context it might be useful to compare it with how much DHBs are spending on Māori provider contracts

each year. In 2019/20 the country's smallest DHBs (West Coast and South Canterbury) were spending between $800,000 and $900,000 on Māori health providers, more than twice the PHARMAC spend.[87]

There are examples too of Pharmac seeking to have Māori involved in programme governance, one of which was shared during a Pharmac staff interview. This example relates to a current piece of work that is looking to establish a governance group with 50% Māori membership. But as this is not yet operational it is, again, too early to know if it is a valuable contribution to Pharmac's commitment to te Tiriti o Waitangi. Instead

Conclusion

In focusing on Pharmac's organisational approach to equity, te Tiriti o Waitangi and racism we have sought to investigate how it articulates its commitments and what it is actually doing that has real impacts firstly in the way Pharmac operates and secondly in the outcomes Pharmac achieves.

Overall, two main themes that have emerged from our review.

1. Pharmac is generally good at saying things that sound like a commitment to equity, anti-racism or te Tiriti o Waitangi but when you scratch beneath the surface these commitments are not marched with action. In other words, there is evidence of non-performativity.[88]

2. The lack of urgency when it comes to delivering on equity priorities (including Māori and Pacific responsiveness) and the lack of focus on disability as an equity imperative demonstrates inaction in the face of need, which is itself a manifestation of institutional racism. Pharmac has known about many of the equity issues with medicines access equity, for example, for years if not decades but the responses have been inadequate.

The main recommendation of this report is that Pharmac's organisational culture needs to be more focused on equity and it must work with urgency to embed pro-equity approaches, including a formalised approach to anti-racism. To start this Pharmac will need to significantly strengthening its draft te Tiriti o Waitangi policy.

The lack of progress on equity, and the gap between what Pharmac has made commitments to and what it has completed, also raises questions of whether current approaches to governance, monitoring and accountability are adequate. This warrants further investigation. While this investigation is already planned as part of the Pharmac Review Panel's work, it is important that it explicitly looks at the findings of this report and at the organisation's accountability for equity, anti-racism and compliance with te Tiriti o Waitangi.

[87] Ministry of Health (2021), p. 4.
[88] For a discussion on non-performativity refer to Ahmed (2006).

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Appendix one – Summary of documents provided by Pharmac

Request	Document(s) provided
Pacific Responsiveness Strategy	Strategy documents and Pacific Responsiveness Briefing
People Strategy	PHARMAC's People and Capability Strategy, 2020-2024
Board and committee membership breakdown (by gender, ethnicity, lived experience of disability) for past ten years	Current Board information – information on previous Board membership not held by PHARMAC. Committee membership *Note gender and ethnicity provided where available. No information available on disability.*
Staff breakdown (by gender, ethnicity, lived experience of disability) for past ten years	Staff information by gender, age and ethnicity since 2012. Organisation chart *Note no information available on disability.*
Staff pay equity, broken down by gender, ethnicity and lived experience of disability	Pay equity information broken down by gender. Pay equity information by ethnicity not provided, due to small numbers although it is regularly monitored internally. *Note no information available on disability.*
PHARMAC funding for Māori community outreach and Māori providers	2021/22 budget allocation for Māori community outreach.
Board paper templates	Three Board paper templates provided (regular Board paper template, funding decision template, non-funding decision template).
Performance reporting to Ministers/ MoH	Link to quarterly updates and annual reports.
Māori advisory group terms of reference	Draft terms of reference provided (still to be confirmed/finalised).
Job descriptions for senior management team members	Position descriptions provided *Note some position descriptions have not been updated since the role was last recruited. For example, one position description dates back to 2013.*
Assorted HR approaches to diversity and inclusion	Diversity and Inclusion policy Discrimination, bullying and harassment policy Data on complaints Information on training