



Funding to Māori Health Providers, 2017/18 to 2021/22

This is a report on funding to Māori health providers¹ by the Ministry of Health (the Ministry) and district health boards (DHBs) for the period 2017/18 to 2021/22. It follows on from our previous report² on the same topic.

The types of services delivered by Māori providers include a range of health services, such as child health, oral health, maternity, community health, specialist medicine, mental health, health of older people and public health. These services can be categorised as health and disability services. Contracts delivered by Māori health providers are services targeted towards Māori, Pacific people and high-needs communities. The data presented in this report does not attempt to measure the total spend on health and disability services for Māori. Instead, it focuses on funding to Māori health providers. This report also does not explain how well health needs are catered for, the quality of health services provided, or other services used to help these communities.

The number of Māori health providers is difficult to determine because of acquisitions, mergers, closures and the use of subsidiaries and trading names. Currently, there are around 290 (240

excluding subsidiaries) Māori health providers, 60 more than reported in the 2020/21 year. Of these 60 extra providers, 34 did not have previous contracts, while the rest had previous contracts but have only recently been identified. Most were identified during the COVID-19 response.

The Ministry and DHBs were funded through Vote Health³ to commission and deliver a range of health and disability services. The Ministry was funded to commission a range of national services, including health workforce training and development, national elective services and national maternity services. The New Zealand Public Health and Disability Act 2000 required DHBs to commission and deliver services and support Māori participation in the delivery of Māori health services.⁴

On 1 July 2022, the Pae Ora (Healthy Futures) Act 2022 replaced the New Zealand Public Health and Disability Act 2000. Under this change, the funding responsibilities of DHBs and the Ministry were moved to two new agencies, Te Whatu Ora (Health New Zealand) and Te Aka Whai Ora (Māori Health Authority).

- ¹ Māori health providers have been identified as suppliers of health care services who meet the Māori Provider Development Scheme definition as being: a provider that is owned and governed by Māori and is providing health and disability services primarily but not exclusively for Māori. For more details, see the 2021/22 Māori Provider Development Scheme (MPDS) webpage on the Ministry of Health website at: www.health.govt.nz/our-work/populations/maori-health/maori-health-providers/2021-22-maori-provider-development-scheme-mpds
- ² Ministry of Health. 2022. Funding to Māori Health Providers 2016/17 to 2020/21. Wellington: Ministry of Health. URL: www.health.govt.nz/publication/funding-maori-health-providers-2016-17-2020-21
- ³ The Treasury. 2021. Vote Health. Wellington: The Treasury. URL: www.treasury.govt.nz/sites/default/files/2021-05/est21-v6-health.pdf
- ⁴ For more details, see the Legislation webpage on the Ministry of Health website at: www.health.govt.nz/nz-health-statistics/access-and-use/legislation

Funding to Māori health providers and Vote Health, 2017/18 to 2021/22 (2017 methodology)

Table 1 shows funding to Māori health providers for health and disability services. This table excludes capitation type payments to Māori primary health organisations (PHOs) and Māori general practitioners (GPs)⁵ and Hauora Māori Scholarships (2018 to 2022), Māori Provider Development Scheme (MPDS) and COVID-19 payments. These payments are shown in table 3 later in the report.

The payments described above are excluded to present data that is comparable with earlier reports. Also, Māori PHO payments are subject to large fluctuations when PHOs merge, are established or cease to trade and when GPs enter and leave PHOs. Excluding these types of payments allows for a more consistent way of measuring funding.

Table 1: Ministry and DHB funding to Māori health providers as a percentage of Vote Health, 2017/18 to 2021/22

Funding	Year					Increase	
	17/18 \$m	18/19 \$m	19/20 \$m	20/21 \$m	21/22 \$m	17/18 to 21/22 \$m	17/18 to 21/22 %
Ministry and DHB funding to Māori health providers	306.9	321.9	358.4	371.5	456.6	149.6	48.7
Vote Health	15,883	16,737	17,890	19,313	20,704	4,821.1	30.4
Funding to Māori health providers as a percentage of Vote Health	1.93%	1.92%	2.00%	1.92%	2.21%	–	–

Source: Ministry of Health, Wellington; Health Sector – the Estimates of Appropriations, The Treasury, Wellington.

Notes: Only payments for health and disability services are shown.

Due to rounding, individual figures in this table may not add to the stated totals and percentages may appear to differ from those stated.

Table 1 shows that Ministry and DHB funding to Māori health providers was \$456.6 million in 2021/22, an increase of \$149.6 million or 48.7% from 2017/18. This 48.7% increase is greater than the increase in Vote Health over the same time (30.4%).

The yearly increase between the 2020/21 and 2021/22 year is greater than previous yearly increases, coinciding with the introduction of COVID-19 payments (see table 3).

Although funding to Māori health providers is increasing, it remains a small part of Vote Health, remaining at around 1.9% and 2% of Vote Health during the first four years shown in this report. Funding did increase to 2.21% in 2021/22, coinciding with the increase in COVID-19 payments.

The amounts shown in table 1 for 2017/18 to 2020/21 are larger than in last year's report due to the inclusion of newly identified providers.

In March 2020, the Ministry implemented a new payments system. Payment classifications in the new system match very closely to those in the previous system, but there are some differences.

This analysis uses total non-departmental output expenses from Vote Health. This excludes departmental expenses, capital expenditure and other miscellaneous appropriations.

⁵ Larger examples of capitation type payments include: first-contact services, PHO projects, management fees, primary health care mental health initiatives and innovations, Health promotion, rural premium services, and very low-cost access.

Individual DHB funding to Māori health providers and Crown funding, 2017/18 to 2021/22

Table 2 shows that, between 2017/18 and 2021/22, the average increase in DHB funding to Māori health providers was 42.4%. This is higher than the increase in DHBs' Crown funding (27.6%). Two DHBs increased their funding to Māori health providers by more than 80%.

Table 2: Individual DHB funding to Māori health providers and increases in DHB Crown funding, 2017/18 to 2021/22

DHB	Individual DHB funding to Māori health providers							Crown funding		
	17/18 \$m	18/19 \$m	19/20 \$m	20/21 \$m	21/22 \$m	Increase 17/18 to 21/22 \$m	Increase 17/18 to 21/22 %	Increase 17/18 to 21/22 %		
Capital & Coast	5.5	6.2	7.2	9.3	10.0	4.5	82.8	23.7		
Wairarapa	1.2	1.2	1.3	1.7	2.2	1.0	80.8	31.1		
Auckland	4.4	4.9	4.5	5.0	7.7	3.2	72.7	26.5		
Waikato	48.3	52.1	55.5	60.8	81.5	33.3	68.9	30.1		
Canterbury	6.7	7.8	8.9	9.9	11.2	4.5	67.8	25.0		
Lakes	8.7	9.2	9.8	12.3	14.4	5.7	65.6	32.8		
Northland	24.6	26.2	36.4	33.7	38.2	13.6	55.1	36.6		
Southern	2.8	2.9	2.7	3.3	4.2	1.4	50.7	27.4		
West Coast	0.8	0.8	0.8	0.8	1.1	0.4	45.1	26.4		
Bay of Plenty	22.1	23.8	25.1	26.5	31.6	9.5	43.2	32.9		
Nelson Marlborough	4.5	4.6	5.0	5.1	5.9	1.4	32.4	31.7		
MidCentral	8.0	7.3	7.7	8.8	10.4	2.4	29.6	26.3		
Counties Manukau	17.6	19.7	18.0	19.1	22.3	4.7	26.4	28.2		
South Canterbury	0.8	0.8	0.9	0.8	1.0	0.2	26.1	20.6		
Hawke's Bay	10.4	11.3	11.6	11.3	13.0	2.7	25.9	29.7		
Hutt Valley	3.5	3.6	3.4	4.5	4.4	0.9	24.7	23.2		
Waitematā	14.8	15.5	15.2	14.6	16.0	1.2	8.2	25.7		
Taranaki	12.4	12.8	12.7	13.8	13.1	0.7	5.8	22.5		
Tairāwhiti	13.7	13.2	12.8	13.3	14.5	0.8	5.6	26.7		
Whanganui	5.5	6.0	6.1	6.5	5.0	-0.5	-8.9	26.4		
DHBs' average percentage increase								42.4	27.6	

Source: Ministry of Health, Wellington; Health Sector – the Estimates of Appropriations, The Treasury, Wellington.

Notes: Only payments for health and disability services are shown.

Due to rounding, individual figures in this table may not add to the stated totals and percentages may appear to differ from those stated.

These comparisons do not consider the different demographic and economic influences or health needs in each DHB. Also, from the data provided, we are not able to say why DHBs increased or decreased their Māori health provider funding or how much Māori health provider funding should be. The data is, however, one way for us to understand how DHBs were supporting Māori participation in service delivery in line with requirements on DHBs under the New Zealand Public Health and Disability Act 2000.

Other types of funding to Māori health providers and Crown funding, 2017/18 to 2021/22

Other types of funding the Ministry measures include payments to:

- MPDS (little change)
- Māori PHOs and COVID-19 payments (both more than doubled)
- Māori GPs and Hauora Māori Scholarships (both increased).

Table 3 shows that, overall, between 2017/18 and 2021/22, funding for other types of payments to Māori health providers increased threefold (by \$277.3 million or 331.8%). This is largely because of the introduction of COVID-19 payments. This 331.8% increase is much higher than the increase in Vote Health over the same time (30.4%).

Table 3: Other types of funding to Māori health providers not included in table 2, as a percentage of Vote Health, 2017/18 to 2021/22

Funding	Year					Increase	
	17/18 \$m	18/19 \$m	19/20 \$m	20/21 \$m	21/22 \$m	17/18 to 21/22 \$m	17/18 to 21/22 %
MPDS	6.6	6.8	7.2	6.6	8.3	1.7	26.1
Māori PHO payments	61.2	68.3	135.3	172.3	172.0	110.8	181.0
Māori GP payments (not part of Māori PHOs)	14.5	16.7	18.3	19.5	21.5	7.0	48.1
Hauora Māori Scholarships (2016–2020)	1.2	1.4	1.7	1.9	1.9	0.7	54.7
Any COVID-19 payment	–	–	14.4	27.5	157.1	142.7	991.1*
Total – Other funding to Māori health providers	83.64	93.2	176.9	227.8	360.9	277.3	331.8
Vote Health	15,883	16,737	17,890	19,313	20,704	4,821.1	30.4
Other funding to Māori health providers as a percentage of Vote Health	0.53%	0.56%	0.99%	1.18%	1.74%	–	–

Source: Ministry of Health, Wellington; Health Sector – the Estimates of Appropriations, The Treasury, Wellington.

Notes: Due to rounding, individual figures in this table may not add to the stated totals and percentages may appear to differ from those stated.

* This increase only applies for the 2020/21 to 2021/22 years.

Total funding to Māori health providers and Vote Health 2017/18 to 2021/22 (2020 methodology)

In table 4, other types of funding to Māori health providers (table 3) are added to table 1, Table 4 provides a more complete measure of funding to Māori health providers. This more complete measure is subject to large fluctuations in funding, particularly because of changes in funding to Māori PHOs. Because of this, users may find table 1 to be a more consistent way to measure changes in funding to Māori health providers.

Table 4: Total funding to Māori health providers (tables 1 and 3 combined) as a percentage of Vote Health, 2017/18 to 2021/22

Funding	Year					Increase	
	17/18 \$m	18/19 \$m	19/20 \$m	20/21 \$m	21/22 \$m	17/18 to 21/22 \$m	17/18 to 21/22 %
Ministry and DHB funding to Māori health providers (table 1)	306.9	321.9	358.4	371.5	456.6	149.6	48.7
Total – Other funding to Māori health providers (table 3)	83.6	93.2	176.9	227.8	360.9	277.3	331.8
Total funding to Māori health providers (tables 2 and 4 combined)	390.5	415.1	535.3	599.2	817.4	426.9	109.3
Vote Health	15,883	16,737	17,890	19,313	20,704	4,821	30.4
Total funding to Māori health providers as a percentage of Vote Health (2019/20 methodology)	2.5%	2.5%	3.0%	3.1%	3.9%	–	–

Source: Ministry of Health, Wellington; Health Sector – the Estimates of Appropriations, The Treasury, Wellington.

Note: Due to rounding, individual figures in this table may not add to the stated totals and percentages may appear to differ from those stated.

As in previous reports, table 4 shows that, although total funding to Māori health providers is increasing, it remains a small part of Vote Health. Total funding to Māori health providers more than doubled (109.3%) between 2017/18 and 2021/22, increasing from \$390.5 million in 2017/18 to \$817.4 million in 2021/22.



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