

**Meeting Briefing: Tend Health NZ**

<b>Due to MO:</b>	4 February 2025	<b>Reference</b>	HNZ00077935
<b>To:</b>	Hon Simeon Brown, Minister of Health		
<b>From:</b>	Martin Hefford, Director Living Well, Planning, Funding and Outcomes		
<b>Copy to:</b>	N/A		
<b>Security level:</b>	In Confidence	<b>Priority</b>	Routine
<b>Consulted</b>	N/A		

**Contact for further discussion (if required)**

Name	Position	Phone	1st contact
Martin Hefford	Director, Living Well	s 9(2)(a)	x
Astuti Balram	Group Manager, Primary Care	s 9(2)(a)	

**Attachments**

**Appendix 1:** Biography of Cecilia Robinson

## About the Meeting

<b>Purpose</b>	This meeting with Tend Health NZ is about its primary care model
<b>Date</b>	Wednesday 5 February 2025
<b>Time</b>	12.00pm – 12.30pm
<b>Venue</b>	Auckland Policy Office (167b Victoria Street West)
<b>Expected attendees</b>	Cecilia Robinson, Co-CEO Tend Health NZ A biography of Cecilia is attached as Appendix 1
<b>Health New Zealand   Te Whatu Ora officials</b>	Debbie Holdsworth, Director Funding
<b>Media</b>	No media
<b>Talking points</b>	<ul style="list-style-type: none"><li>• I acknowledge the innovative approach that Tend is taking, and I would like to know more about your further plans for expansion;</li><li>• Tell me how you see technology could foster health equity and enhance healthcare accessibility, particularly in underserved communities and rural areas;</li><li>• I acknowledge that the primary healthcare sector is feeling a degree of financial pressure and am interested to know how Tend's business model addresses this;</li><li>• Could you please highlight the challenges which you have faced to date, and what you think could be done to better support the virtual-care model.</li></ul>

## Purpose

1. This meeting briefing provides information for your meeting on 5 February with Cecilia Robinson, Co-CEO of Tend Health NZ.

## About Tend

2. Tend is a New Zealand based and owned primary healthcare provider that combines on-line virtual care with in-person clinic appointments. It was launched in 2020 and has grown to be one of the largest primary healthcare providers in New Zealand with an enrolled patient base of 140,000.
3. Tend has physical clinics in Auckland (Symonds Street, Kingsland and Pakuranga), Christchurch (Linwood) and Tauranga (Greerton, Bethlehem, South City and Papamoa). It is also partnering with Better Health Limited, which has medical centres across Christchurch, North Canterbury and the lower South Island.
4. Cecilia Robinson and James Robinson are the Co-CEOs of Tend. They were formerly Co-CEOs of My Food Bag. The idea for Tend came about through Cecilia's personal experience in accessing digital care from overseas for subspecialist services.

## Tend's service offering

5. Tend offers complete GP services. Patients have three booking options: an in-clinic appointment; an online appointment; or an immediate online urgent care service that provides virtual appointments. Online services are available from 0800 until 2100 7 days a week, including public holidays.
6. Access to services and fees are based on location. Enrolled patients pay lower fees and can access Community Service Card prices. Casual patients are charged a higher fee and there is an additional charge for some services (e.g. smears or minor surgeries).
7. Tend has a strong emphasis on technology and its service model is underpinned by a patient app-based system. As of mid-2024, Tend's online healthcare services comprised around 35% of its total consultations.
8. Patients, enrolled or casual, are invited to use the Tend app to create an account and book appointments online or at a clinic. The app enables communication with the doctor and receptionists, and patient notes/recommendations are made available to patients via the app.

## Areas for discussion

### **Tend's desire to move to a direct contracting arrangement**

9. Under the status quo, Tend is required to enter into agreements with Primary Health Organisations (PHOs) for any regions where they wish to operate. As Tend operates across the motu, they currently have agreements with nine PHOs.
10. Through its ongoing engagement with Health NZ, Tend has indicated that one of its biggest challenges is the administrative burden of dealing with multiple PHOs. Issues

raised by Tend include variation in services and in rules between PHOs, and differing local agreements (e.g. for mental health service provision).

11. Tend has indicated it has a strong desire to move to a direct contracting arrangement with Health NZ (thereby negating the need for agreements with multiple PHOs).
12. Direct contracting for larger providers is something which we want to enable as part of a refreshed approach to the role of PHOs. However, there are a number of operational policy considerations to be worked through and any such move would be subject to consultation with the sector ahead of any change.
13. At this stage, we are planning to engage on a refreshed role for PHOs (which will include the option for direct contracting) in March. Proceeding with consultation in March could enable direct contracting from 1 July 2025 (subject to the feedback received on the proposal, and final decisions).

14. s 9(2)(f)(iv)

15. s 9(2)(f)(iv), s 9(2)(g)(i)

16. s 9(2)(f)(iv)

### **Tend may discuss Digital-first enrolled primary care services**

17. There are a growing number of telemedicine healthcare providers in New Zealand providing both urgent and pre-booked online services to patients.
18. As part of the refreshed approach to the role of PHOs, and the potential for direct contracting with primary care providers, we are looking to ensure that the system is more future-focused and enabling of technological solutions. To that end, we want to explore the potential for future contracts to better enable digital-first enrolment for primary care.
19. Digital-first enrolment would enable timely access to primary healthcare via digital platforms, regardless of location. This could result in: reduced waiting times, removing the need to travel for care; and the potential for increased access to care (in particular for rural New Zealanders and isolated communities).
20. From a provider perspective, digital-first enrolment enables flexible working conditions for staff and the establishment of multidisciplinary teams (without the need for those teams to be co-located).
21. In general, we are supportive of the concept of digital-first enrolment and consider that virtual services will have a role to play in the future health system. However, as we transition to a paradigm where digital-first enrolment is more widespread, there are a number of challenges that will need further consideration, including:

- The potential to create a two-tiered system where people who are well and who have episodic low acuity and/or low complexity needs would likely choose digital-first options due to the ease of access, while GPs would be left dealing with the most costly and complex patients. This would not be financially sustainable for existing in-person primary care services under the current capitation funding model;
  - There will always be a need for in-person care or diagnosing and managing certain conditions. People also need to receive immunisations in person and some screening services, along with blood pressure and other clinical measurements. We need clarity around how patients of digital-first providers would be able to access in-person care when required.
22. Another concern from the sector is a perceived variability in the quality of care delivered by digital health providers, and the clinical risks in terms of timely access for people requiring in-person interventions. It will be important to consider the appropriate clinical governance, quality and accountability controls that need to be in place to support the safe delivery of digital first primary care services.

## Appendix 1: Biography of Cecilia Robinson

### Cecilia Robinson

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Cecilia is the founder and Co-CEO of Tend Health. Following six years as Co-CEO of My Food Bag, Cecilia is now a board member at My Food Bag, Tend Health and Pie Funds.

Cecilia has won many awards including the New Zealand Innovator of the Year 2024; Supreme Winner 2017 Women of Influence Awards; Next Magazine Businesswoman of the Year 2014; EY Young Entrepreneur of the Year 2013.

Cecilia is passionate about helping women in business and solving the everyday problems of working parents.

## Direct contracting with General Practice Service Providers

<b>Due to MO:</b>	26 March 2025	<b>Reference</b>	HNZ00082622
<b>To:</b>	Hon Simeon Brown, Minister of Health		
<b>From:</b>	Martin Hefford, Director Living Well		
<b>Copy to:</b>	n/a		
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Martin Hefford	Director, Living Well	s 9(2)(a)	x
Astuti Balram	Group Manager Primary Care	s 9(2)(a)	

## Purpose

1. s 9(2)(f)(iv)

This paper provides you with further detail on how this could be enabled.

## Summary

2. Health NZ, in partnership with General Practice NZ (GPNZ) and other stakeholders, has been working to explore the potential future functions of PHOs and other PHO-level organisations.
3. We are in the process of preparing to release a proposal for consultation with the sector which will set out Health NZ's preferred future role for PHOs. Part of the proposal will relate to potentially enabling direct contracting with providers for primary medical services where specified pre-requisites and other criteria are met.
4. The legal advice we have received is that we are required to consult with the sector on the proposed redesign of PHO roles and responsibilities, and on the prospect of direct contracting with major providers.s 9(2)(h)
5. If a decision were to be made following consultation with the sector to directly contract with primary care providers, that decision could be progressed once final decisions on the future role of PHOs are taken (planned for June 2025).
6. Detailed planning for the potential implementation of direct contracting has begun but will be subject to revision based on feedback received through sector engagement.
7. The proposal was approved by the Commissioner this week. We will finalise the PHO-level redesign proposal and brief you ahead of releasing the proposal document for consultation with the sector.

## Background

8. Under the current model, all contracting for primary medical services happens through Primary Health Organisations (PHOs). There are 30 PHOs in New Zealand, with populations ranging in size from 22,000 to more than 820,000 people.
9. PHOs have variable roles, capacity, capability and scale. Such variation across PHOs can be positive in supporting local needs and enabling experimentation, but has also led to inconsistent service delivery across the country.
10. Under the current model there is no framework for Health NZ to contract directly with primary care providers. We do see potential benefits from this option, as direct contracting would enable improved quality and accountability of larger providers, create opportunities for increased data sharing, and allow for a general improvement in access to care (e.g., by requiring things like extended opening hours and same-day triaging as part of a direct contracting arrangement).

11. s 9(2)(f)(iv)

## **Direct contracting is something we are exploring as an option through our work to reset the role of PHO-level organisations**

12. Health NZ, in partnership with General Practice NZ (GPNZ) and other stakeholders, initiated work in 2024 to explore the potential future functions of PHOs and other PHO-level organisations commissioned by Health NZ to support primary and community care.
13. Initially, the intention was to develop a broad discussion document for the sector to consider and provide feedback on how the PHO-level could be restructured. In December 2024 a decision was made to progress directly to developing a preferred model for the potential future role for PHOs as a proposal for consultation. The PHO-level Proposal document (the Proposal) will set out Health NZ's preferred future role for PHOs, and we will seek the sector's views on the model set out. The broader discussion document will also be released as background to the Proposal.
14. The Proposal document includes the opportunity to potentially enable direct contracting for primary medical services where specified pre-requisites and other criteria are met.
15. We are currently in the process of finalising the PHO-level Proposal document after it was approved by the Commissioner this week and expect to be able to brief you in more detail in the coming weeks.
16. s 9(2)(h)

## **Implementing Direct Contracting**

17. If a decision were to be made following consultation with the sector to directly contract with primary care providers, that decision would be able to be progressed once final decisions on the future role of PHOs are taken (planned for June 2025).
18. s 9(2)(f)(iv)
19. A roadmap has been drafted to guide potential next steps for direct contracting if that were to form part of the PHO redesign. This planning may need to be revised based on feedback received on the Proposal document. The roadmap identifies a number of system design features, sector engagement and negotiation processes, and procurement processes. These are set out overleaf for your information.

s 9(2)(f)(iv)

s 9(2)(f)(iv)

s 9(2)(h)

## Next steps

30. We will provide you with an update on next steps in the Weekly Report.
31. We will finalise the PHO-level redesign Proposal document and brief you ahead of releasing the proposal for consultation with the sector.