

Important Communication

Equipment and Modification Services (EMS)

Ongoing Budget Pressure

18 March 2019

In September and December 2018, the Ministry of Health (the Ministry) wrote to you and every Equipment and Modification Services (EMS) Assessor, encouraging you to prescribe equipment and modification solutions carefully. However, EMS expenditure nationwide has continued to grow and now significantly exceeds the Ministry's allocated budget for these services.

Expenditure for the 2018/19 financial year for EMS has increased significantly compared to the 2017/18 financial year. For the first 8 months of this financial year (to the end of February) expenditure is just over \$10m more than for the same period last year. This equates to a 20% increase in spend in just one year and is equivalent to the growth in spend for the previous five years combined.

The Ministry's Disability Support Services is unable to exceed its budget allocation and we will therefore need to look at how we best fund EMS in the new financial year (from 1 July 2019) to ensure we meet the needs of as many people as possible within the agreed budget.

The Ministry will be working on medium to long term strategies for EMS over the next few months and will be in touch to update assessors on plans going forward. We will be working with DHB representatives on options for the medium to long term strategies.

It is important that all requests for EMS funding are for eligible people who meet the funding criteria. Enable New Zealand and Accessable have advised that they continue to receive requests that are outside criteria. These requests put pressure on the system and cause unnecessary delays. EMS Assessors are encouraged to work with the EMS Providers to ensure a person's equipment and/or modifications are for eligible people and are provided in the most cost-effective way.

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