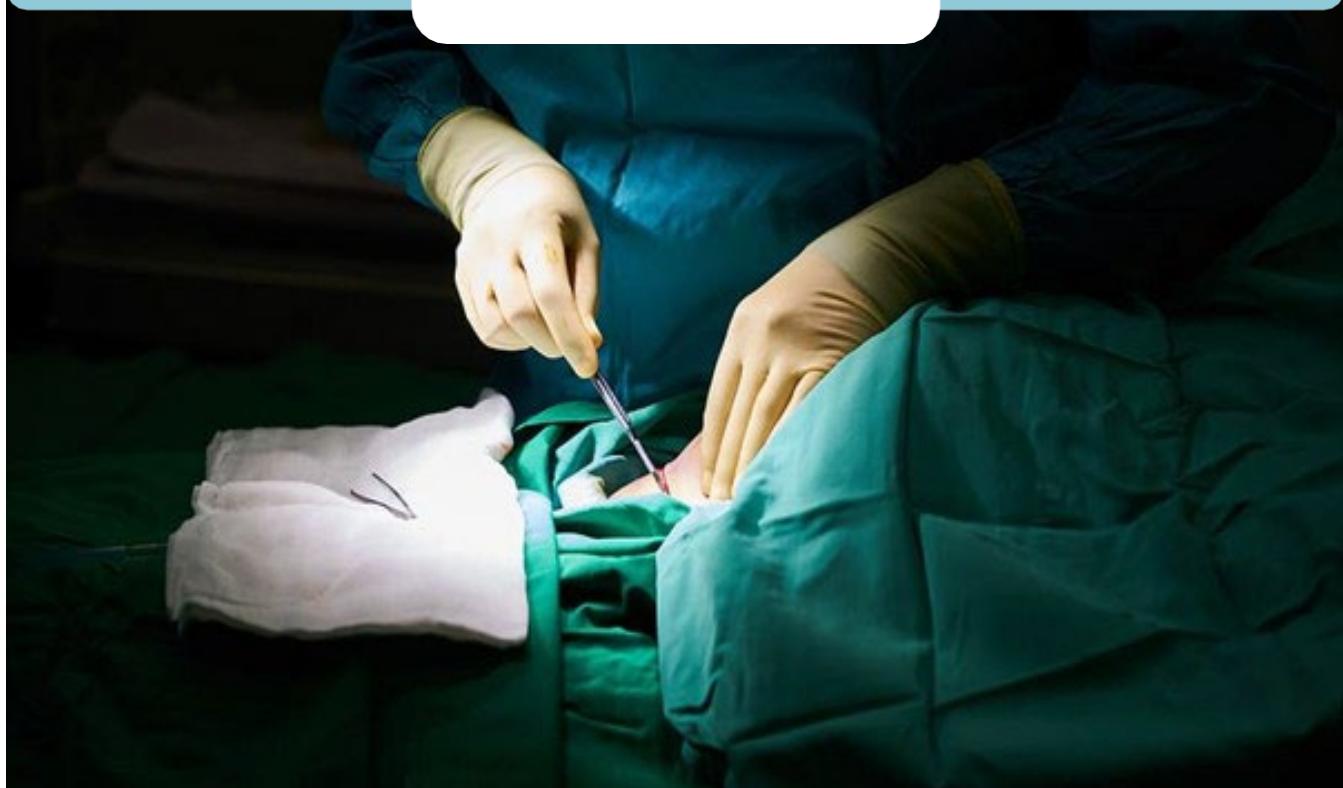




NEW ZEALAND PRIVATE SURGICAL
HOSPITALS ASSOCIATION INC



Position Paper

NOVEMBER 2025

Private hospitals and clinics have been an essential part of New Zealand's health system for more than 100 years.

Private hospitals currently provide two thirds of all elective surgical care in New Zealand. Demand for the services of private surgical hospitals has been increasing and is expected to keep growing.

The challenges and opportunities resulting from this growth require a coordinated sector-wide response. Private hospitals are not just for the insured or self-funding patient, and they are much more than a 'back-stop' for public hospitals when they get overwhelmed. They need to be part of a fully integrated approach to long-term healthcare planning across New Zealand.

The patient must always be put first and the best outcomes for the patient must be the priority.

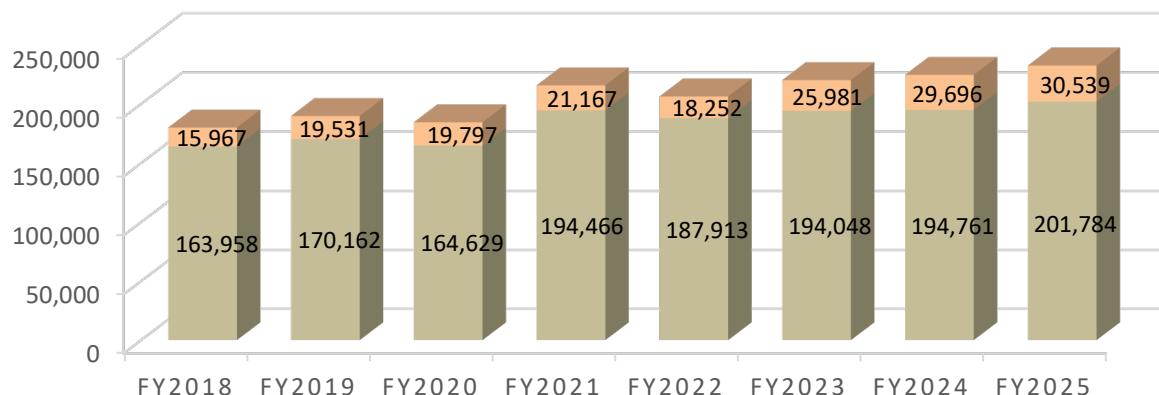
New Zealand's Private Surgical Hospitals

NZPSHA was established in 2005 to represent private surgical hospitals across New Zealand. The Association currently has 34 member organisations providing surgical services at around 50 facilities located from Whangarei to Invercargill. In the 2024/25 year, these hospitals and clinics reported 232,323 surgical discharges, representing 66% of all elective surgery performed in this country.

NZPSHA members provide a full range of planned surgical services, from complex neurosurgery and cardiothoracic surgery through to minor procedures.

NZPSHA MEMBER PATIENT DISCHARGES

■ Other ■ Health NZ Patients



NZPSHA Members

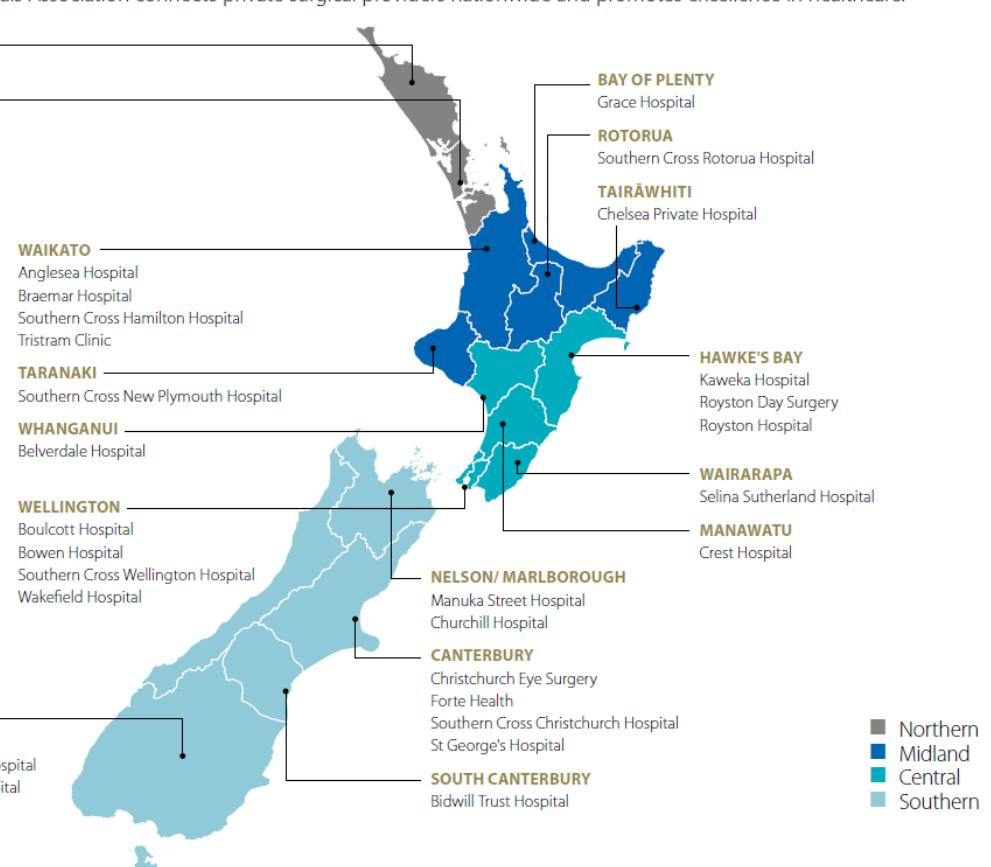
The New Zealand Private Surgical Hospitals Association connects private surgical providers nationwide and promotes excellence in healthcare.

NORTHLAND

Allevia Kensington Hospital

AUCKLAND

Allevia Hospital Ascot
Allevia Hospital Epsom
Columba at Ascot
Endoscopy Auckland
Eye Institute (also Whangarei, Hawke's Bay, Wellington, Blenheim and Dunedin)
Franklin Hospital
IntraCare
One Six One Medical Group
Ormiston Hospital
Quay Park Surgical
Remuera Surgical Centre
Rodney Surgical Centre
Southern Cross Auckland Surgical Centre
Southern Cross Brightside Hospital
Southern Cross Gillies Hospital
Southern Cross North Harbour Hospital



A Patient-centric Quality Approach

For all NZPSHA members, the patient is the primary focus.

Private hospitals and clinics do not manage emergency cases meaning that care can be planned without disruption. In contrast, someone waiting for elective surgery at a public hospital may wait for a year or more, and have their procedure delayed (sometimes several times) as the hospital correctly prioritises acute and emergency services. The person's condition, pain and distress are exacerbated by the delay, they may not be able to work and, along with their family, can face considerable personal hardship.

Utilising the capacity of the private sector is a timely, cost-effective and patient-focused solution. Once selected for treatment in a private facility, the patient will usually be operated on within 20 days and will receive the highest level of care.

NZPSHA is a relentless champion for the advancement of quality standards across the sector, delivered by a motivated and skilled workforce. All NZPSHA members are required to be certified to Ngā Paerewa Health and Disability Services Standard and/or accredited against international standards.

Our member hospitals give focused priority to quality, safety, and credentialing. This begins with patient selection, working with medical specialists to ensure that patients are receiving the right treatment in the right facilities. They also invest in the latest technology, often well ahead of the public health system.

NZPSHA delivers a twice-yearly Clinical Indicators Report, to benchmark safety and quality measures across the membership. Results are shared with ACC and the Health, Safety and Quality Commission (HSQC).

NZPSHA is a key stakeholder in health sector quality programmes, initiatives and pilot programmes, and supports the implementation of workforce development and training strategies.

On behalf of its members, NZPSHA stands for:

- A relentless focus on quality improvement.**
- Delivery of timely and high-quality care for patients.**
- Solving workforce challenges.**
- Embracing new technology and services.**
- Advancing member interests through advocacy, collaboration, and knowledge-sharing.**

Efficient, specific and essential

Private hospitals provide high quality planned health care. New Zealand has had private surgical facilities providing essential services since the 1920s. The place of private surgical facilities in the overall New Zealand health system is specific and critical. It is essential that the resources private hospitals have invested in are used efficiently and effectively.

Patients receiving surgical treatment in private hospitals are funded in one of five ways:

1. Insurance funded patients
2. ACC funded patients
3. Health New Zealand funded patients
4. Charity funded patients
5. Self-funded patients

New Zealand's **Accident Compensation scheme** would not function without private hospitals. More than 90% of ACC funded surgery is performed in private facilities.

Public surgery waiting lists can be managed and reduced by utilising private hospitals. Currently, around 20% of patients on a public waiting list get their elective surgery in a private facility. NZPSHA members have the capability to work effectively alongside the public health sector to provide the care patients need in a timely manner. However, more certainty is needed about when and how their services are required.

The patients seen at private hospitals who are **funded by insurance or are self-funded** reduce the burden on the public health sector, with its resource and financial constraints.

Every patient treated in a private hospital frees up critical resources for a patient to be seen in the public system.

Private surgical hospitals are essential partners in future **healthcare planning**. New Zealand needs a balanced, efficient healthcare system where public and private providers work together to meet the needs of all New Zealanders.

On behalf of its members, NZPSHA advocates for:

- Whole-of-sector collaboration, to deliver better results for patients, funders, the health system and government.
- Long-term arrangements that provide more certainty, assist in reducing waiting times for elective surgery, and free up public hospital operating theatres for acute and major surgeries.
- Mutually sustainable funding arrangements with ACC and Health Insurers.
- To be an active and positive contributor to discussions on the future provision of planned health care.

Challenges and Opportunities

Four critical elements are necessary for the successful provision of planned surgical care in New Zealand:

1. **Funding** - adequate funding for patients through Health NZ, ACC and insurance companies.
2. **Workforce** - availability and skill development of specialists, nurses, other clinical staff, and non-clinical support staff.
3. **Facilities** - sufficient theatres, patient rooms and support services.
4. **Access to Capital** - to invest in the workforce, facilities and new technologies.

Patient funding: As our population grows and ages, patient need continues to increase. The Health Minister has instructed Health New Zealand to utilise private sector capacity to help reduce public elective surgery waiting lists. ACC and private health insurers are tightening some criteria, but this is not yet resulting in any noticeable reduction in patient numbers. NZPSHA expects demand for the services of private surgical hospitals to keep rising and it is essential that fair and sustainable funding arrangements are in place.

Workforce: Staff shortages continue to plague the public hospital sector but in private hospitals the concerns of recent years have largely dissipated. Theatre nurses and anaesthetic technicians are two specific roles with tight supply. New Zealand does not have enough qualified surgeons for key specialties and there are signs of increasing international competition to attract surgeons. The provision of specialist training is a recognised challenge, which requires ongoing discussion.

Facilities: Theatre capacity has been identified as the major constraint on responding to increased demand for surgery. NZPSHA members have added 11 new operating theatres in the past year, and more are planned, along with additional wards, patient admission areas, enlarged sterilisation units etc. Effective use of this increased capacity is essential.

Access to Capital: The Government faces many competing priorities for the limited funds it has available to invest in healthcare. Public hospital investments are inevitably delayed or reduced in scale. In comparison, the private sector has access to capital and moves relatively quickly to invest. Conservatively, at least half a billion dollars has been invested in private surgical facilities in recent years. Investment levels and interest remain high, with many NZPSHA members planning further expansions along with new entrants intending to build surgical facilities.

To deliver the best possible outcomes for New Zealanders, the many parts of our highly complex health system need to be aligned, collaborating and working efficiently. Private Hospitals are already making an essential contribution and have the capacity to offer even more.