



BRIEFING

Proactive release of Cabinet paper: Reducing Managed Isolation stays for border arrivals from 14 to 9 or 10 days

Date:	28 January 2022	Priority:	Medium
Security classification:	In Confidence	Tracking number:	2122-1896

Action sought		
	Action sought	Deadline
Chris Hipkins Minister for COVID-19 Response	Agree to the release of the Cabinet paper Agree to the proposed redactions	8 February 2022

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Nora Burghart	Acting General Manager, MIQ Policy	██████████	
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The following departments/agencies have been consulted
Ministry of Health

Minister's office to complete:

- | | |
|-----------------------------------------------|----------------------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Declined |
| <input type="checkbox"/> Noted | <input type="checkbox"/> Needs change |
| <input type="checkbox"/> Seen | <input type="checkbox"/> Overtaken by Events |
| <input type="checkbox"/> See Minister's Notes | <input type="checkbox"/> Withdrawn |

Comments



BRIEFING

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Purpose

To seek your agreement to proactively release the Cabinet paper *Reducing Managed Isolation stays for border arrivals from 14 to 9 or 10 days*. MBIE proposes to release this information on 14 February 2022.

Recommended action

The Ministry of Business, Innovation and Employment recommends that you:

- a **Agree** to the release of the Cabinet paper *Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days* and associated minute *Agree / Disagree*
- b **Agree** to the proposed redactions *Agree / Disagree*

Nora Burghart
Acting General Manager, MIQ Policy
Managed Isolation and Quarantine, MBIE

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Hon Chris Hipkins
Minister for COVID-19 Response

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Background

1. On 18 October 2021, you took the following paper and supporting documents to Cabinet: *Reducing Managed Isolation Stays for Border Arrivals from 14 to 9 or 10 Days*
2. Cabinet referred the proposals to the COVID-19 Ministerial Group for further consideration and authorised the COVID-19 Ministerial Group to have Power to Act to take decisions on the proposals [CAB-21-MIN-0424 refers].
3. On 28 October 2021, COVID-19 Ministers took decisions on reducing managed isolation and quarantine requirements and expanding Pacific one-way quarantine-free travel based on a Ministry of Health briefing. Ministers agreed to change managed isolation stays to seven days plus around three days home isolation pending a negative day nine test (7+3 model) [HR20212360 refers].
4. Please note that MBIE requires at least 3-5 working days to publish Cabinet material to mbie.govt.nz, following completion of a due diligence process and having obtained your approval to the material's proactive release. If you would like the material released on a specific date (for example, to coincide with an announcement) please let us know so we can work to meet your timeframes.

Recommendation

5. MBIE recommends the proactive release of the Cabinet paper and supporting documents with some information redacted for the following reasons:
 - a. Confidential advice to Government
 - b. To maintain legal privilege
6. The Cabinet paper was jointly written by MBIE and the Ministry of Health. It advised Cabinet to reduce MIQ requirements to 9 or 10 days, with 10 days being the Public Health-recommended option, and 9 days being your recommended option.
7. Final decisions were not taken on this paper and instead Ministers made decisions based on a Ministry of Health briefing as mentioned above. On 28 October 2021, COVID-19 Ministers agreed to the 7+3 model [HR20212360 refers].
8. The 7+3 model option is not discussed in the Cabinet paper, therefore MBIE or the office may face questions about how decisions on the 7+3 model were made. We understand the Ministry of Health are considering this report for proactive release and we support this release to pre-empt questions about why the MIQ stay duration changed from the initial advice to Cabinet on 18 October 2021.
9. Paragraph 39 of the Cabinet paper states that "every other Auckland Managed Isolation facility has stated that they will not accept either COVID-19 community cases or close contacts". This refers to a particular moment in time, however it is no longer accurate. Discussions are ongoing regularly with facilities about managed isolation and quarantine designations. We don't consider there are applicable grounds available for withholding this information, and instead recommend providing a note in the coversheet correcting this statement (see Annex 1).

Consultation

10. MBIE Communications have been notified of the proposed release of information and have raised no issues.

11. Ministry of Health have been consulted and have no issues with the proposed release.

Annexes

Annex One: Coversheet and documents for release

Annex Two: Marked-up copy

Annex One: Coversheet and documents for release



COVERSHEET

Minister	Hon Chris Hipkins	Portfolio	COVID-19 Response
Title of Cabinet paper	Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days	Date to be published	8 February 2022

List of documents that have been proactively released		
Date	Title	Author
18 October 2021	Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days	Office of the Minister for COVID-19 Response
18 October 2021	Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days CAB-21-MIN-0424	Cabinet office

Information redacted

YES

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the following reasons:

- Confidential advice to Government
- Legal professional privilege

Please note, paragraph 39 of the Cabinet paper states that "every other Auckland Managed Isolation facility has stated that they will not accept either COVID-19 community cases or close contacts". This refers to a particular moment in time, however it is no longer accurate. Discussions are ongoing regularly with facilities about managed isolation and quarantine designations.

In Confidence

Office of the Minister for COVID-19 Response

Cabinet

Reducing Managed Isolation stays for border arrivals from 14 to 9 or 10 days

Proposal

- 1 This paper seeks agreement to reduce Managed Isolation stays for people in managed isolation admitted under the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 from 14 days (336 hours) to either 9 days (216 hours) or 10 days (240 hours), commencing 1 November 2021. There is no proposed change in the length of stay for people entering MIQ under Section 70 of the Health Act 1956 (community cases/close contacts).

Relation to government priorities

- 2 The managed isolation and/or quarantine of border arrivals is a significant part of the Government's response to COVID-19. Restrictions placed on people in order to keep New Zealand safe must remain proportionate and justifiable. This proposal ensures that MIQ's operating model remains fit for purpose in the current phase of our COVID-19 response.
- 3 This work also supports ongoing efforts as part of Reconnecting New Zealanders to the world to carefully evolve our current border settings to enable people to travel safely to New Zealand, while maintaining strong public health settings. This is consistent with earlier advice to Cabinet that shorter-stay Managed Isolation options with enhanced testing would be considered.

Executive Summary

- 4 Developments in the science of COVID-19 transmission and infectious periods, particularly around the Delta variant means that the length of time people are required to be in MIQ can be decreased with minimal additional risk to the community.
- 5 I propose shortening the length of Managed Isolation stays for border arrivals accordingly. This will have a positive impact on the people entering Managed Isolation and will ensure that Managed Isolation continues to be justifiable and proportionate to the risk of COVID-19.
- 6 From 1 November 2021, all border arrivals in Managed Isolation would be released into the community on either day 9 or day 10 of their stay if they meet low-risk health indicators. This is the same date that non-New Zealand citizens will need to be vaccinated to enter the country.
- 7 There are two options for a shortened Managed Isolation stay in this paper:
 - 7.1 9 days (my preferred option)

7.2 10 days (public health preferred option)

- 8 Border arrivals will also have an additional COVID-19 test on day 9 and be strongly encouraged to get a day 12 test at a community testing centre, but there is no available resource to ensure that everyone takes their day 12 test.

Background

- 9 Managed Isolation has been highly successful at preventing incursions of COVID-19 through New Zealand's borders with over 170,000 arrivals through Managed Isolation since its inception. We have an increased understanding of the epidemiology of the Delta variant and growing evidence around the effectiveness of testing regimes for people in Managed Isolation settings.
- 10 Over the last eighteen months, our MIQ settings have continually adapted and improved to ensure they are serving the purpose they are needed for in the current context. This includes ensuring that there continues to be a strong public health basis for the restrictions placed on people in MIQ and that they are proportionate and justifiable.
- 11 There has been a significant reduction in the number of cases coming across the border in recent months with increased use of pre-departure testing and the majority of arrivals reporting that they are fully vaccinated.
- 12 Managed Isolation has been operating at its maximum capacity since managed return flights from New South Wales commenced in July after quarantine free travel with Australia was suspended. With an additional four Managed Isolation facilities being converted to quarantine facilities since August, in order to maintain our commitments to travellers with existing Managed Isolation Allocation System (MIAS) vouchers, cohorting has been suspended, scheduled maintenance has been deferred, and the entire MIQ operating contingency is currently being used.

Public health considerations

- 13 The 14-day Managed Isolation duration was initially proposed to cover one incubation period of the virus. The aim was to minimise any risk of a person leaving managed isolation with an active infection. The current testing regime has reliably identified nearly all cases arriving at the border.
- 14 However, recent evidence indicates that the increased risk of transmission of COVID-19 from reducing a returnee's stay in managed isolation to 10 days is low, with the series of tests now in place and other appropriate mitigations are in place.
- 15 From a public health perspective, 10 days is consistent with our understanding that for the Delta variant, the incubation period is less than 10 days. This is consistent with our proposed approach to the management of community close contacts.
- 16 Alternatively, and this is recommended, we could move towards a reduced risk 9 day Managed Isolation, acknowledging the low risk profile of people entering into Managed Isolation from overseas. For day 9 release, the last PCR test while a person

is in Managed Isolation would take place on day 6/7. Based on evidence from past testing in Managed Isolation Facilities, 80 to 90 percent of cases are identified on day 6 or 7. The estimates are that in a cohort of approximately 5000, if 0.2-0.3% were positive this could be up to 15 people. Rapid antigen testing on release would reduce the risk further, although their testing sensitivity is not as high as PCR tests.

- 17 International evidence increasingly suggesting that increased frequency of testing can provide some level of compensation for decreased duration of quarantine/isolation with respect to managing public health risks. New Zealand has recently added the additional day 6/7 nasopharyngeal swab to the testing regime of border arrivals and is proposing additional testing including the options of nasopharyngeal swab or saliva or rapid antigen test for day 9.
- 18 These proposals for a shortened stay in managed isolation also recognise:
 - 18.1 higher levels of vaccination in arrivals - upwards of 75 percent of people over the age of 12 report that they are at least partially vaccinated. All non-New Zealand citizens entering the country will be required to be vaccinated from 1 November.
 - 18.2 requirements for pre-departure testing for most countries
 - 18.3 the shorter average incubation period of the Delta variant and recent testing/case detection data from Singapore and other jurisdictions that confirms that the majority of acute cases of COVID-19 are detected within the first three days of a quarantine/isolation period (provided there is a low risk of transmission in managed isolation).

A day 6/7 test would be the determinative test before leaving a Managed Isolation Facility on Day 9 or 10

- 19 Currently, the final routine test for SARS-CoV-2 is a PCR test from a nasopharyngeal swab taken on day 11/12 of managed isolation. This allows for 48 – 72 hours for labs to process the tests and provide notification of results, prior to border arrivals' scheduled release on day 14. This buffer period is particularly important in Auckland, where there are large volumes of routine returnee, border workforce, and community tests being processed.
- 20 If the required length of stay in Managed Isolation is reduced to 9 or 10 days, and the receipt of a negative 'final' routine test result is required before an individual can leave prior to release, the day 6/7 test will need to be the last test that will be reported back during a returnee's stay in Managed Isolation. Given that we have done 0/1, 3, 6/7 testing, this could be a rapid antigen test. The Ministry of Health will finalise this as part of implementation planning.
- 21 Depending on the type of test that is used and the workforce and laboratory pressures in individual regions people may leave managed isolation without having received the result of their day 9 test first (if a PCR test). Officials are considering all testing options, but all come with risks and benefits. Nasopharyngeal and saliva tests are more accurate but take longer to process. Whereas rapid antigen tests provide faster results but more false positives and potentially false negatives.

- 22 If people leave prior to their day 9 test is returned, then they should go home and stay home until they get their day 9 test result.
- 23 Public health also strongly recommend an additional test be taken by returnees in the community on day 12. The day 12 test is suggested to identify a very small number of cases who may have a longer incubation period.
- 24 There is not sufficient spare capacity in the system to monitor compliance if there was a requirement for a day 12 test after release. Therefore this test would be ‘strongly recommended’, consistent with the approach currently used in settings such as hospitality, and retail and construction work travel within Auckland’s Alert level 3 boundary. As part of implementation, the Ministry of Health will consider how to track the uptake of day 12 tests.
- 25 Officials will also be conducting a review of the testing regime in Managed Isolation, to inform ongoing consideration of the appropriate testing levels for returnees.
- 26 From a public health perspective, moving the final test to be reported back during a stay to day 9 is low risk. As above, the Ministry of Health’s data captured within Managed Isolation, show the vast majority (between 80 – 90%) of acute cases are identified by day 6/7.

Managing cohorts to reduce the risk of exposure

- 27 The current suspension of cohorting to help free up Managed Isolation rooms to support the current Auckland outbreak could increase the likelihood of in-facility transmission if people about to leave are exposed to COVID-positive arrivals before their cases have been detected. Prevention of such exposure events becomes more important as the duration of managed isolation decreases. However, mitigation of cohorting suspension is being achieved by stringently adhering to current infection, prevention and control (IPC) protocols by all border arrivals and workers in facilities including the continuation of room restrictions until a negative Day 0/1 test is received. Even if full cohorting could not be achieved it would be prudent to minimise the risk of mixing very early and late stay arrivals.

Shortened Managed Isolation stays should be rolled out nationally

- 28 I propose that the move to a 9 or 10 day stay in Managed Isolation is rolled out for all travellers, regardless of where they enter Managed Isolation. The public health rationale for reducing periods of isolation and quarantine in Auckland applies equally to other parts of New Zealand. Different regional settings would introduce inequities, the risk of legal challenge, unnecessary complexity in the system with attendant resource implications, and could threaten compliance with testing measures. They would also not be possible to implement by 1 November, if at all.
- 29 Additionally, there is no connection between where a person resides in New Zealand and where they do their managed isolation stay. A shorter Managed Isolation period for people in Managed Isolation in Auckland would not make sense when a significant proportion of those people would then travel to other parts of the country upon departure. Likewise, implementing a length of stay based on a person’s final destination would not be operationally possible.

Implementation of the change to a 9 or 10 day stay

- 30 The move to a 9 or 10 day stay will apply to all travellers who enter Managed Isolation under the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 (the Isolation and Quarantine Order), with the exception of air crew and maritime crew.¹ It does not apply to community cases or close contacts admitted under Section 70 of the Health Act 1956.
- 31 In order to ensure this system change takes place in an orderly manner and to enable Managed Isolation to undertake this transition, I propose it takes affect from 1 November 2021. This is also the date from which non-New Zealand citizens are required to be vaccinated in order to travel to New Zealand.
- 32 Key operational factors to be managed as part of this move include adjusting workforce rostering to reflect earlier departures, revising fees and exemptions frameworks, and supporting onward travel provision for border arrivals. The addition of a new test taken at day 9 will require increased health workforce and may require revised departure protocols to ensure border arrivals are able to leave on time. My officials have confirmed that these changes can be in place by 1 November subject to operational and resource requirements being addressed.
- 33 On 1 November, all border arrivals who have been in Managed Isolation for 9 or 10 days or longer will be eligible to exit Managed Isolation if they have met the low-risk indicators for release. This means there will be a larger number of border arrivals eligible for release on 1 November as all border arrivals between day 9 or 10 and day 13 of their stay will be eligible to depart. For arrivals between Day 9/10 and Day 11 who have not had a day 11/12 test, they will also be required to be tested on the day of departure.
- 34 In order to manage demand on the health workforce in particular there may need to be a transition to the new length of stay over two to three days at some facilities in order to administer day 9 tests, ensure IPC protocols are maintained and all border arrivals meet low-risk indicators to qualify for release. In facilities that have a cohort at the very end of their stay, priority for departure on 1 November will be given to people who are on days 13 and 14 and who have received a negative day 11/12 test.
- 35 The Managed Isolation system is currently operating at maximum capacity. The increase in community cases and requirement to convert managed isolation facilities to quarantine facilities has meant Managed Isolation has needed to suspend cohorting, defer scheduled maintenance and use its entire operating contingency in order to meet its commitments to border arrivals with MIAS vouchers booked in coming weeks as well as continue to approve vouchers for emergency allocations for those who are eligible.
- 36 The number of managed isolation rooms available to border arrivals has decreased since the beginning of the current outbreak in mid-August following the conversion of the Ibis Ellerslie, the Holiday Inn and the Novotel Ellerslie in Auckland and the Distinction in Hamilton to community quarantine facilities. It is likely that further community quarantine facilities will be required. The number of border arrivals

¹ As defined in the COVID-19 Public Health Response (Air Border) Order (No 2) 2020 and the COVID-19 Public Health Response (Maritime Border) Order (No 2) 2020

entering managed isolation over this time has increased: the week of 11 October saw 500 more border arrivals entering Managed Isolation than the previous week.

Rooms lost from managed isolation for community quarantine since August 2021

Facility	Rooms converted²
Ibis Ellerslie	100
Holiday Inn	220
Novotel Ellerslie	140
Distinction Hamilton (now Amohia)	110
Total	570

- 37 The capacity gained from moving to a 9 or 10 day stay offsets the reduction in managed isolation rooms, rather than creates the opportunity for increasing throughput of border arrivals at this time. If the suspension of cohorting is ended or any additional managed isolation facilities are converted to quarantine, the need to find rooms for border arrivals will become more acute again.
- 38 In the future, should community cases stabilise with no further facilities being required for quarantine, Managed Isolation may be able to increase the number of rooms available on the Managed Isolation Allocation System (MIAS) each month for border arrivals to use. Increasing the throughput of border arrivals in this manner will require a corresponding increase in health and facility workforces. Modelling is currently being done on the impact of a 9 or 10 day stay and I have instructed officials to provide me with further advice this week.
- 39 It should be noted that decreasing the length of Managed Isolation stay will not necessarily result in additional space for COVID-19 community cases or close contacts. This is because, with the exception of two facilities, every other Auckland Managed Isolation facility has stated that they will not accept either COVID-19 community cases or close contacts. If either, or both, of the two facilities noted above do become quarantine facilities this will have a direct impact of decreasing the number of border arrivals that Managed Isolation is able to accommodate.
- 40 I have instructed my officials to continue working to identify appropriate solutions for close contacts that cannot be safely isolated in the community.

Interaction with quarantine-free travel arrangements

- 41 Officials will inform the Cook Islands and Niue of the change to Managed Isolation settings given the quarantine-free travel (QFT) Arrangements state New Zealand will maintain 14 days’ quarantine for applicable travellers. New Zealand is obligated to seek the agreement of the Cook Islands and Niue to amend the QFT Arrangements. While a reduction in Managed Isolation would not create any immediate changes to current QFT operation (Cook Islands two-way QFT is currently suspended and preparations for two-way QFT are ongoing with Niue), this will be a contributing factor in their risk assessment of QFT.

² Not all managed isolation rooms can be used as quarantine rooms eg only 88 of the 100 managed isolation rooms at Ibis Ellerslie are used as quarantine rooms

Financial implications

- 42 Moving to a 9 or 10-day Managed Isolation stay is likely to impact fee revenues. Any additional costs to move to a 9 or 10-day stay will initially be met from within baseline.
- 43 Forecasting the impact of changing to a 9 or 10-day for fees revenue is subject to a number of variables including the demographic of the border arrivals i.e the mix of first time New Zealand border arrivals, families and children and critical workers. Further, if more community cases require Managed Isolation, this impacts on revenue as community cases are not charged for quarantining in Managed Isolation.
- 44 To determine a high level impact, officials have taken the forecast monthly fee revenues, and pro-rated these down from 14 days to 9 or 10 days, giving an estimated monthly and annualised impact of a decrease in revenue. These costs are detailed in Tables 1 and 2 below.

45 *Table 2: Estimated revenue impact of changing to a 9-day Managed Isolation stay at pro-rated rate of fees*

\$m Managed Isolation Fee revenue	Monthly Revenue	Annualised
Forecast Monthly revenue (14 day standard)	\$16.1m	\$193.1m
Expected revenue based on 9 days pro-rated	\$10.3m	\$124.1m
Forecast Revenue impact	-\$5.7m	-\$69.0m

Table 2: Estimated revenue impact of changing to a 10-day Managed Isolation stay at pro-rated rate of fees

\$m Managed Isolation Fee revenue	Monthly Revenue	Annualised
Forecast Monthly revenue (14 day standard)	\$16.1m	\$193.1m
Expected revenue based on 10 days pro-rated	\$11.5m	\$138m
Forecast Revenue impact	-\$4.6m	-\$55.1m

- 46 Officials consider the pro-rata fee level for 9 or 10 days to be an appropriate interim measure given the condensed timeframes to implement changes. The 9 or 10-day pro-rata fees have not necessarily been set at an appropriate level to recover costs, and will by proxy mean an increase in Government subsidisation of the cost of Managed Isolation. 9(2)(f)(iv)

Legislative implications

The COVID-19 Public Health Response (Isolation and Quarantine) Order 2020

47 The COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 currently defines a period of isolation as 14 days (336 hours). In line with public health advice to reduce this to 9 days (216 hours) or 10 days (240 hours), I propose to amend the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 so that period of isolation and quarantine is changed to nine days (216 hours).

47.1 I propose to amend clause 10 of the Isolation and Quarantine Order to state that either:

47.1.1 a person's period of isolation or quarantine is 9 days (216 hours);
and

47.1.2 the maximum period of isolation is 18 days (432 hours).

OR

47.1.3 a person's period of isolation is 10 days (240 hours); and

47.1.4 the maximum period of isolation is 20 days (480 hours).

48 Note, cases or close contacts will need to remain until they meet the low-risk indicators regardless of the maximum time specified.

The COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020

49 Under s 7(4) and 7A(5) of COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations), fees for a 9 or 10-day stay can be charged on a pro-rata basis (i.e. 9 or 10/14ths of the current fees). Managed Isolation charges are based on a 14-day Managed Isolation stay and are subsidised at different rates for New Zealanders and non-New Zealanders. If a returnee stays longer than 14 days, they are not required to pay more than the fees set out in ss 7 and 7A of the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations).

50 The Regulations do not allow sufficient flexibility to charge fees at a lower rate in situations where a returnee is required to stay for longer than nine days. For example, a returnee who tests positive for COVID-19 while in Managed Isolation and is required to stay past 9 or 10 days could be charged for up to a 14-day stay. While the Regulations provide the ability to partially waive fees, fee waiver powers do not apply to critical workers and their immediate family. Given that the Managed Isolation stay requirement is shifting to 9 or 10 days, maintaining this setting could lead to inequitable outcomes and potential over-recovery of fees.

51 Therefore, I propose to amend the Regulations to set a fee for a 9 or 10-day Managed Isolation stay.

52 These new fees will be calculated based on the pro-rata rate of current fees for 9 or 10 days. For example, the new fees for the first/only adult occupying a room for 9 days will be approximately:

52.1 \$3,550 including GST (non-New Zealanders); and

52.2 \$1,993 including GST (New Zealand citizens and residents).

53 Or for 10 days:

53.1 \$3,942 including GST (non-New Zealanders); and

53.2 \$2,214 including GST (New Zealand citizens and residents).

54 Officials consider the pro-rata fee levels for 9 or 10 days to be an appropriate interim measure to recover some Managed Isolation costs given the condensed timeframes to implement changes. The 9 or 10-day pro-rata fees have not necessarily been set at an appropriate level to recover costs, and will by proxy mean an increase in Government subsidisation of the cost of Managed Isolation. 9(2)(f)(iv)

Human rights implications

55

9(2)(h)

[Redacted]

[Redacted]

Treaty of Waitangi implications

58 Due to time limitations, iwi have not been consulted on this proposal. At this stage, the proposal to change Managed Isolation to a 9 or 10-day stay does not substantially

change limits on the ability to enter New Zealand, which may impact on the ability of Māori to exercise tino rangatiratanga and kaitiakitanga rights and responsibilities.

Population Implications

- 59 The proposal will be applied universally to people arriving at the border that are required to enter Managed Isolation and Quarantine.

Impact analysis

- 60 The Regulatory Impact Analysis (RIA) Team at the Treasury has determined that the proposals reducing Managed Isolation and Quarantine stays for overseas border arrivals from 14 to 9 or 10 days and associated pro-rata of fees changes are exempt from the requirement to provide a Regulatory Impact Statement. The exemption is granted on the grounds that the proposals are intended to manage, mitigate or alleviate the short-term impacts of the declared emergency event of the COVID-19 pandemic, and implementation of the policy is required urgently to be effective (making complete, robust and timely Regulatory Impact Statements unfeasible).
- 61 Given the significance of the potential impacts, the RIA Team strongly supports a review of the changes, to be carried out in early 2022, to assess wider impacts, including the compliance with mitigation measures and proposed model of Managed Isolation fees.

Consultation

- 62 The Ministry of Health; the Ministry of Business, Innovation and Employment; the Department of Prime Minister and Cabinet; Crown Law Office, and The Treasury have been consulted on this paper.

Communications

- 63 If agreed, I intend to announce this change to the public on Tuesday 19 October. This change will be communicated to travellers with bookings on the Managed Isolation Allocation System (MIAS) who are affected by this change and publicised through a range of communication methods including the Unite Against COVID and MIQ websites, media statements and social media channels.

Proactive Release

- 64 This paper will be proactively released with appropriate withholdings under the Official Information Act 1982.

Recommendations

The Minister for COVID-19 recommends that Cabinet:

Move to 9 or 10 day Managed Isolation stay

- 1 **note** that public health advice has recommended shortening Managed Isolation for international returnees (who are not cases) from 14 days to 10 days

IN CONFIDENCE

- 2 **note** that I recommend shortening Managed Isolation from 14 days to 9 days
- 3 **agree** that from 1 November 2021 Managed Isolation stays will change from 14 days (336 hours) to EITHER
- 3.1 10 days (240 hours) OR
- 3.2 9 days (216 hours)
- 4 **note** that officials intend that border arrivals on the decided day to 13 of their Managed Isolation stay will be eligible to be released from Managed Isolation on 1 November
- 5 **note** that due to workforce constraints for some managed isolation facilities a transition period of 2-3 days (1-3 November) may be required in order to administer day 9 tests, ensure IPC protocols are maintained, and that everyone departing meet low-risk indicators to qualify for release.
- 6 **note** that in facilities that have a cohort at the very end of their stay on 1 November priority for departure will be given to people who are on days 13 and 14 and who have received a negative day 11/12 test.

Managed isolation capacity

- 7 **note** that the number of managed isolation rooms available to border arrivals has decreased due to the conversion of rooms from managed isolation to quarantine use to support the response to the community outbreak of COVID-19
- 8 **note** Managed Isolation has taken significant interventions to support community cases as well as border arrivals and moving to a day 9 or 10 stay will not result in any capacity gain in the near future
- 9 **note** the Minister for COVID-19 Response has instructed officials to provide further advice on whether there will be additional Managed Isolation capacity available to use to increase throughput of border arrivals in the medium term

Testing regime

- 10 **note** an additional test on day 9 for border arrivals will be implemented as part of the change to a 9 or 10 day stay
- 11 **note** that determining exactly what type of test this will be will be determined as part of implementation planning
- 12 **note** that the results of the day 9 test may not be available until after a person has departed managed isolation
- 13 **note** that people will still be required to meet the other low risk indicators on day 9 or 10 in order to leave managed isolation
- 14 **agree** to a day 12 test for people who have been in Managed Isolation through community testing centres

- 15 **note** that the day 12 test would be ‘strongly recommended’ but there are limited resources available in the health sector to monitor compliance with the requirement to test.
- 16 **note** that officials will be conducting a review of the testing regime in Managed Isolation to inform ongoing consideration of the appropriate testing regime for returnees.

Interaction with quarantine-free travel arrangements

- 17 **note** that given New Zealand’s obligations under quarantine-free travel Arrangements, officials will update the Cook Islands and Niue prior to any public announcement.

Amending the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020

- 18 **agree** to amend clause 10 the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 to state that either:
- 18.1.1 a person’s period of isolation or quarantine is 9 days (216 hours); and
 - 18.1.2 the maximum period of isolation or quarantine is 18 days (432 hours).

OR

- 18.2 a person’s period of isolation or quarantine is 10 days (240 hours); and
 - 18.3 the maximum period of isolation or quarantine is 20 days (480 hours).
- 19 **authorise** the Minister for COVID-19 Response to make decisions consistent with the decisions in this paper on any technical issues which may arise during the drafting process.
- 20 **invite** the Minister for COVID-19 Response to issue drafting instructions to Parliamentary Counsel Office to give effect to the above recommendations.

Amending the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020

- 64.1 **agree** to amend the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 set new fees. These new fees will be calculated based on current fees (charged at a pro-rata rate). New fees for the first/only adult occupying a room will be either:

For 9 days

- 64.2 \$3,550 including GST (non-New Zealanders); and
- 64.3 \$1,993 including GST (New Zealand citizens and residents).

For 10 days

20.1 \$3,942 including GST (non-New Zealanders)

20.2 \$2,214 including GST (New Zealanders).

21 **authorise** the Minister for COVID-19 Response to make decisions consistent with the decisions in this paper on any technical issues which may arise during the drafting process.

22 **invite** the Minister for COVID-19 Response to issue drafting instructions to Parliamentary Counsel Office to give effect to the above recommendations.

23 **9(2)(f)(iv)**

Authorised for lodgement

Hon Chris Hipkins

Minister for COVID-19 Response



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Reducing Managed Isolation Stays for Border Arrivals from 14 to 9 or 10 Days

Portfolio COVID-19 Response

On 18 October 2021, Cabinet:

- 1 **referred** the proposals in the submission *Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days* [CAB-21-SUB-0424], to the COVID-19 Ministerial Group for further consideration;
- 2 **authorised** the COVID-19 Ministerial Group to have Power to Act to take decisions on the proposals.

Michael Webster
Secretary of the Cabinet

In Confidence

Office of the Minister for COVID-19 Response

Cabinet

Reducing Managed Isolation stays for border arrivals from 14 to 9 or 10 days

Proposal

- 1 This paper seeks agreement to reduce Managed Isolation stays for people in managed isolation admitted under the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 from 14 days (336 hours) to either 9 days (216 hours) or 10 days (240 hours), commencing 1 November 2021. There is no proposed change in the length of stay for people entering MIQ under Section 70 of the Health Act 1956 (community cases/close contacts).

Relation to government priorities

- 2 The managed isolation and/or quarantine of border arrivals is a significant part of the Government's response to COVID-19. Restrictions placed on people in order to keep New Zealand safe must remain proportionate and justifiable. This proposal ensures that MIQ's operating model remains fit for purpose in the current phase of our COVID-19 response.
- 3 This work also supports ongoing efforts as part of Reconnecting New Zealanders to the world to carefully evolve our current border settings to enable people to travel safely to New Zealand, while maintaining strong public health settings. This is consistent with earlier advice to Cabinet that shorter-stay Managed Isolation options with enhanced testing would be considered.

Executive Summary

- 4 Developments in the science of COVID-19 transmission and infectious periods, particularly around the Delta variant means that the length of time people are required to be in MIQ can be decreased with minimal additional risk to the community.
- 5 I propose shortening the length of Managed Isolation stays for border arrivals accordingly. This will have a positive impact on the people entering Managed Isolation and will ensure that Managed Isolation continues to be justifiable and proportionate to the risk of COVID-19.
- 6 From 1 November 2021, all border arrivals in Managed Isolation would be released into the community on either day 9 or day 10 of their stay if they meet low-risk health indicators. This is the same date that non-New Zealand citizens will need to be vaccinated to enter the country.
- 7 There are two options for a shortened Managed Isolation stay in this paper:
 - 7.1 9 days (my preferred option)

7.2 10 days (public health preferred option)

- 8 Border arrivals will also have an additional COVID-19 test on day 9 and be strongly encouraged to get a day 12 test at a community testing centre, but there is no available resource to ensure that everyone takes their day 12 test.

Background

- 9 Managed Isolation has been highly successful at preventing incursions of COVID-19 through New Zealand's borders with over 170,000 arrivals through Managed Isolation since its inception. We have an increased understanding of the epidemiology of the Delta variant and growing evidence around the effectiveness of testing regimes for people in Managed Isolation settings.
- 10 Over the last eighteen months, our MIQ settings have continually adapted and improved to ensure they are serving the purpose they are needed for in the current context. This includes ensuring that there continues to be a strong public health basis for the restrictions placed on people in MIQ and that they are proportionate and justifiable.
- 11 There has been a significant reduction in the number of cases coming across the border in recent months with increased use of pre-departure testing and the majority of arrivals reporting that they are fully vaccinated.
- 12 Managed Isolation has been operating at its maximum capacity since managed return flights from New South Wales commenced in July after quarantine free travel with Australia was suspended. With an additional four Managed Isolation facilities being converted to quarantine facilities since August, in order to maintain our commitments to travellers with existing Managed Isolation Allocation System (MIAS) vouchers, cohorting has been suspended, scheduled maintenance has been deferred, and the entire MIQ operating contingency is currently being used.

Public health considerations

- 13 The 14-day Managed Isolation duration was initially proposed to cover one incubation period of the virus. The aim was to minimise any risk of a person leaving managed isolation with an active infection. The current testing regime has reliably identified nearly all cases arriving at the border.
- 14 However, recent evidence indicates that the increased risk of transmission of COVID-19 from reducing a returnee's stay in managed isolation to 10 days is low, with the series of tests now in place and other appropriate mitigations are in place.
- 15 From a public health perspective, 10 days is consistent with our understanding that for the Delta variant, the incubation period is less than 10 days. This is consistent with our proposed approach to the management of community close contacts.
- 16 Alternatively, and this is recommended, we could move towards a reduced risk 9 day Managed Isolation, acknowledging the low risk profile of people entering into Managed Isolation from overseas. For day 9 release, the last PCR test while a person

is in Managed Isolation would take place on day 6/7. Based on evidence from past testing in Managed Isolation Facilities, 80 to 90 percent of cases are identified on day 6 or 7. The estimates are that in a cohort of approximately 5000, if 0.2-0.3% were positive this could be up to 15 people. Rapid antigen testing on release would reduce the risk further, although their testing sensitivity is not as high as PCR tests.

- 17 International evidence increasingly suggesting that increased frequency of testing can provide some level of compensation for decreased duration of quarantine/isolation with respect to managing public health risks. New Zealand has recently added the additional day 6/7 nasopharyngeal swab to the testing regime of border arrivals and is proposing additional testing including the options of nasopharyngeal swab or saliva or rapid antigen test for day 9.
- 18 These proposals for a shortened stay in managed isolation also recognise:
 - 18.1 higher levels of vaccination in arrivals - upwards of 75 percent of people over the age of 12 report that they are at least partially vaccinated. All non-New Zealand citizens entering the country will be required to be vaccinated from 1 November.
 - 18.2 requirements for pre-departure testing for most countries
 - 18.3 the shorter average incubation period of the Delta variant and recent testing/case detection data from Singapore and other jurisdictions that confirms that the majority of acute cases of COVID-19 are detected within the first three days of a quarantine/isolation period (provided there is a low risk of transmission in managed isolation).

A day 6/7 test would be the determinative test before leaving a Managed Isolation Facility on Day 9 or 10

- 19 Currently, the final routine test for SARS-CoV-2 is a PCR test from a nasopharyngeal swab taken on day 11/12 of managed isolation. This allows for 48 – 72 hours for labs to process the tests and provide notification of results, prior to border arrivals' scheduled release on day 14. This buffer period is particularly important in Auckland, where there are large volumes of routine returnee, border workforce, and community tests being processed.
- 20 If the required length of stay in Managed Isolation is reduced to 9 or 10 days, and the receipt of a negative 'final' routine test result is required before an individual can leave prior to release, the day 6/7 test will need to be the last test that will be reported back during a returnee's stay in Managed Isolation. Given that we have done 0/1, 3, 6/7 testing, this could be a rapid antigen test. The Ministry of Health will finalise this as part of implementation planning.
- 21 Depending on the type of test that is used and the workforce and laboratory pressures in individual regions people may leave managed isolation without having received the result of their day 9 test first (if a PCR test). Officials are considering all testing options, but all come with risks and benefits. Nasopharyngeal and saliva tests are more accurate but take longer to process. Whereas rapid antigen tests provide faster results but more false positives and potentially false negatives.

- 22 If people leave prior to their day 9 test is returned, then they should go home and stay home until they get their day 9 test result.
- 23 Public health also strongly recommend an additional test be taken by returnees in the community on day 12. The day 12 test is suggested to identify a very small number of cases who may have a longer incubation period.
- 24 There is not sufficient spare capacity in the system to monitor compliance if there was a requirement for a day 12 test after release. Therefore this test would be ‘strongly recommended’, consistent with the approach currently used in settings such as hospitality, and retail and construction work travel within Auckland’s Alert level 3 boundary. As part of implementation, the Ministry of Health will consider how to track the uptake of day 12 tests.
- 25 Officials will also be conducting a review of the testing regime in Managed Isolation, to inform ongoing consideration of the appropriate testing levels for returnees.
- 26 From a public health perspective, moving the final test to be reported back during a stay to day 9 is low risk. As above, the Ministry of Health’s data captured within Managed Isolation, show the vast majority (between 80 – 90%) of acute cases are identified by day 6/7.

Managing cohorts to reduce the risk of exposure

- 27 The current suspension of cohorting to help free up Managed Isolation rooms to support the current Auckland outbreak could increase the likelihood of in-facility transmission if people about to leave are exposed to COVID-positive arrivals before their cases have been detected. Prevention of such exposure events becomes more important as the duration of managed isolation decreases. However, mitigation of cohorting suspension is being achieved by stringently adhering to current infection, prevention and control (IPC) protocols by all border arrivals and workers in facilities including the continuation of room restrictions until a negative Day 0/1 test is received. Even if full cohorting could not be achieved it would be prudent to minimise the risk of mixing very early and late stay arrivals.

Shortened Managed Isolation stays should be rolled out nationally

- 28 I propose that the move to a 9 or 10 day stay in Managed Isolation is rolled out for all travellers, regardless of where they enter Managed Isolation. The public health rationale for reducing periods of isolation and quarantine in Auckland applies equally to other parts of New Zealand. Different regional settings would introduce inequities, the risk of legal challenge, unnecessary complexity in the system with attendant resource implications, and could threaten compliance with testing measures. They would also not be possible to implement by 1 November, if at all.
- 29 Additionally, there is no connection between where a person resides in New Zealand and where they do their managed isolation stay. A shorter Managed Isolation period for people in Managed Isolation in Auckland would not make sense when a significant proportion of those people would then travel to other parts of the country upon departure. Likewise, implementing a length of stay based on a person’s final destination would not be operationally possible.

Implementation of the change to a 9 or 10 day stay

- 30 The move to a 9 or 10 day stay will apply to all travellers who enter Managed Isolation under the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 (the Isolation and Quarantine Order), with the exception of air crew and maritime crew.¹ It does not apply to community cases or close contacts admitted under Section 70 of the Health Act 1956.
- 31 In order to ensure this system change takes place in an orderly manner and to enable Managed Isolation to undertake this transition, I propose it takes affect from 1 November 2021. This is also the date from which non-New Zealand citizens are required to be vaccinated in order to travel to New Zealand.
- 32 Key operational factors to be managed as part of this move include adjusting workforce rostering to reflect earlier departures, revising fees and exemptions frameworks, and supporting onward travel provision for border arrivals. The addition of a new test taken at day 9 will require increased health workforce and may require revised departure protocols to ensure border arrivals are able to leave on time. My officials have confirmed that these changes can be in place by 1 November subject to operational and resource requirements being addressed.
- 33 On 1 November, all border arrivals who have been in Managed Isolation for 9 or 10 days or longer will be eligible to exit Managed Isolation if they have met the low-risk indicators for release. This means there will be a larger number of border arrivals eligible for release on 1 November as all border arrivals between day 9 or 10 and day 13 of their stay will be eligible to depart. For arrivals between Day 9/10 and Day 11 who have not had a day 11/12 test, they will also be required to be tested on the day of departure.
- 34 In order to manage demand on the health workforce in particular there may need to be a transition to the new length of stay over two to three days at some facilities in order to administer day 9 tests, ensure IPC protocols are maintained and all border arrivals meet low-risk indicators to qualify for release. In facilities that have a cohort at the very end of their stay, priority for departure on 1 November will be given to people who are on days 13 and 14 and who have received a negative day 11/12 test.
- 35 The Managed Isolation system is currently operating at maximum capacity. The increase in community cases and requirement to convert managed isolation facilities to quarantine facilities has meant Managed Isolation has needed to suspend cohorting, defer scheduled maintenance and use its entire operating contingency in order to meet its commitments to border arrivals with MIAS vouchers booked in coming weeks as well as continue to approve vouchers for emergency allocations for those who are eligible.
- 36 The number of managed isolation rooms available to border arrivals has decreased since the beginning of the current outbreak in mid-August following the conversion of the Ibis Ellerslie, the Holiday Inn and the Novotel Ellerslie in Auckland and the Distinction in Hamilton to community quarantine facilities. It is likely that further community quarantine facilities will be required. The number of border arrivals

¹ As defined in the COVID-19 Public Health Response (Air Border) Order (No 2) 2020 and the COVID-19 Public Health Response (Maritime Border) Order (No 2) 2020

entering managed isolation over this time has increased: the week of 11 October saw 500 more border arrivals entering Managed Isolation than the previous week.

Rooms lost from managed isolation for community quarantine since August 2021

Facility	Rooms converted²
Ibis Ellerslie	100
Holiday Inn	220
Novotel Ellerslie	140
Distinction Hamilton (now Amohia)	110
Total	570

- 37 The capacity gained from moving to a 9 or 10 day stay offsets the reduction in managed isolation rooms, rather than creates the opportunity for increasing throughput of border arrivals at this time. If the suspension of cohorting is ended or any additional managed isolation facilities are converted to quarantine, the need to find rooms for border arrivals will become more acute again.
- 38 In the future, should community cases stabilise with no further facilities being required for quarantine, Managed Isolation may be able to increase the number of rooms available on the Managed Isolation Allocation System (MIAS) each month for border arrivals to use. Increasing the throughput of border arrivals in this manner will require a corresponding increase in health and facility workforces. Modelling is currently being done on the impact of a 9 or 10 day stay and I have instructed officials to provide me with further advice this week.
- 39 It should be noted that decreasing the length of Managed Isolation stay will not necessarily result in additional space for COVID-19 community cases or close contacts. This is because, with the exception of two facilities, every other Auckland Managed Isolation facility has stated that they will not accept either COVID-19 community cases or close contacts. If either, or both, of the two facilities noted above do become quarantine facilities this will have a direct impact of decreasing the number of border arrivals that Managed Isolation is able to accommodate.
- 40 I have instructed my officials to continue working to identify appropriate solutions for close contacts that cannot be safely isolated in the community.

Interaction with quarantine-free travel arrangements

- 41 Officials will inform the Cook Islands and Niue of the change to Managed Isolation settings given the quarantine-free travel (QFT) Arrangements state New Zealand will maintain 14 days’ quarantine for applicable travellers. New Zealand is obligated to seek the agreement of the Cook Islands and Niue to amend the QFT Arrangements. While a reduction in Managed Isolation would not create any immediate changes to current QFT operation (Cook Islands two-way QFT is currently suspended and preparations for two-way QFT are ongoing with Niue), this will be a contributing factor in their risk assessment of QFT.

² Not all managed isolation rooms can be used as quarantine rooms eg only 88 of the 100 managed isolation rooms at Ibis Ellerslie are used as quarantine rooms

Financial implications

- 42 Moving to a 9 or 10-day Managed Isolation stay is likely to impact fee revenues. Any additional costs to move to a 9 or 10-day stay will initially be met from within baseline.
- 43 Forecasting the impact of changing to a 9 or 10-day for fees revenue is subject to a number of variables including the demographic of the border arrivals i.e the mix of first time New Zealand border arrivals, families and children and critical workers. Further, if more community cases require Managed Isolation, this impacts on revenue as community cases are not charged for quarantining in Managed Isolation.
- 44 To determine a high level impact, officials have taken the forecast monthly fee revenues, and pro-rated these down from 14 days to 9 or 10 days, giving an estimated monthly and annualised impact of a decrease in revenue. These costs are detailed in Tables 1 and 2 below.

45 *Table 2: Estimated revenue impact of changing to a 9-day Managed Isolation stay at pro-rated rate of fees*

\$m Managed Isolation Fee revenue	Monthly Revenue	Annualised
Forecast Monthly revenue (14 day standard)	\$16.1m	\$193.1m
Expected revenue based on 9 days pro-rated	\$10.3m	\$124.1m
Forecast Revenue impact	-\$5.7m	-\$69.0m

Table 2: Estimated revenue impact of changing to a 10-day Managed Isolation stay at pro-rated rate of fees

\$m Managed Isolation Fee revenue	Monthly Revenue	Annualised
Forecast Monthly revenue (14 day standard)	\$16.1m	\$193.1m
Expected revenue based on 10 days pro-rated	\$11.5m	\$138m
Forecast Revenue impact	-\$4.6m	-\$55.1m

- 46 Officials consider the pro-rata fee level for 9 or 10 days to be an appropriate interim measure given the condensed timeframes to implement changes. The 9 or 10-day pro-rata fees have not necessarily been set at an appropriate level to recover costs, and will by proxy mean an increase in Government subsidisation of the cost of Managed Isolation. 9(2)(f)(iv)

Legislative implications

The COVID-19 Public Health Response (Isolation and Quarantine) Order 2020

47 The COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 currently defines a period of isolation as 14 days (336 hours). In line with public health advice to reduce this to 9 days (216 hours) or 10 days (240 hours), I propose to amend the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 so that period of isolation and quarantine is changed to nine days (216 hours).

47.1 I propose to amend clause 10 of the Isolation and Quarantine Order to state that either:

47.1.1 a person's period of isolation or quarantine is 9 days (216 hours);
and

47.1.2 the maximum period of isolation is 18 days (432 hours).

OR

47.1.3 a person's period of isolation is 10 days (240 hours); and

47.1.4 the maximum period of isolation is 20 days (480 hours).

48 Note, cases or close contacts will need to remain until they meet the low-risk indicators regardless of the maximum time specified.

The COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020

49 Under s 7(4) and 7A(5) of COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations), fees for a 9 or 10-day stay can be charged on a pro-rata basis (i.e. 9 or 10/14ths of the current fees). Managed Isolation charges are based on a 14-day Managed Isolation stay and are subsidised at different rates for New Zealanders and non-New Zealanders. If a returnee stays longer than 14 days, they are not required to pay more than the fees set out in ss 7 and 7A of the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations).

50 The Regulations do not allow sufficient flexibility to charge fees at a lower rate in situations where a returnee is required to stay for longer than nine days. For example, a returnee who tests positive for COVID-19 while in Managed Isolation and is required to stay past 9 or 10 days could be charged for up to a 14-day stay. While the Regulations provide the ability to partially waive fees, fee waiver powers do not apply to critical workers and their immediate family. Given that the Managed Isolation stay requirement is shifting to 9 or 10 days, maintaining this setting could lead to inequitable outcomes and potential over-recovery of fees.

51 Therefore, I propose to amend the Regulations to set a fee for a 9 or 10-day Managed Isolation stay.

52 These new fees will be calculated based on the pro-rata rate of current fees for 9 or 10 days. For example, the new fees for the first/only adult occupying a room for 9 days will be approximately:

52.1 \$3,550 including GST (non-New Zealanders); and

52.2 \$1,993 including GST (New Zealand citizens and residents).

53 Or for 10 days:

53.1 \$3,942 including GST (non-New Zealanders); and

53.2 \$2,214 including GST (New Zealand citizens and residents).

54 Officials consider the pro-rata fee levels for 9 or 10 days to be an appropriate interim measure to recover some Managed Isolation costs given the condensed timeframes to implement changes. The 9 or 10-day pro-rata fees have not necessarily been set at an appropriate level to recover costs, and will by proxy mean an increase in Government subsidisation of the cost of Managed Isolation. 9(2)(f)(iv)

Human rights implications

55 9(2)(h)

■ [Redacted]

■ [Redacted]

Treaty of Waitangi implications

58 Due to time limitations, iwi have not been consulted on this proposal. At this stage, the proposal to change Managed Isolation to a 9 or 10-day stay does not substantially

change limits on the ability to enter New Zealand, which may impact on the ability of Māori to exercise tino rangatiratanga and kaitiakitanga rights and responsibilities.

Population Implications

- 59 The proposal will be applied universally to people arriving at the border that are required to enter Managed Isolation and Quarantine.

Impact analysis

- 60 The Regulatory Impact Analysis (RIA) Team at the Treasury has determined that the proposals reducing Managed Isolation and Quarantine stays for overseas border arrivals from 14 to 9 or 10 days and associated pro-rata of fees changes are exempt from the requirement to provide a Regulatory Impact Statement. The exemption is granted on the grounds that the proposals are intended to manage, mitigate or alleviate the short-term impacts of the declared emergency event of the COVID-19 pandemic, and implementation of the policy is required urgently to be effective (making complete, robust and timely Regulatory Impact Statements unfeasible).
- 61 Given the significance of the potential impacts, the RIA Team strongly supports a review of the changes, to be carried out in early 2022, to assess wider impacts, including the compliance with mitigation measures and proposed model of Managed Isolation fees.

Consultation

- 62 The Ministry of Health; the Ministry of Business, Innovation and Employment; the Department of Prime Minister and Cabinet; Crown Law Office, and The Treasury have been consulted on this paper.

Communications

- 63 If agreed, I intend to announce this change to the public on Tuesday 19 October. This change will be communicated to travellers with bookings on the Managed Isolation Allocation System (MIAS) who are affected by this change and publicised through a range of communication methods including the Unite Against COVID and MIQ websites, media statements and social media channels.

Proactive Release

- 64 This paper will be proactively released with appropriate withholdings under the Official Information Act 1982.

Recommendations

The Minister for COVID-19 recommends that Cabinet:

Move to 9 or 10 day Managed Isolation stay

- 1 **note** that public health advice has recommended shortening Managed Isolation for international returnees (who are not cases) from 14 days to 10 days

I N C O N F I D E N C E

- 2 **note** that I recommend shortening Managed Isolation from 14 days to 9 days
- 3 **agree** that from 1 November 2021 Managed Isolation stays will change from 14 days (336 hours) to EITHER
- 3.1 10 days (240 hours) OR
- 3.2 9 days (216 hours)
- 4 **note** that officials intend that border arrivals on the decided day to 13 of their Managed Isolation stay will be eligible to be released from Managed Isolation on 1 November
- 5 **note** that due to workforce constraints for some managed isolation facilities a transition period of 2-3 days (1-3 November) may be required in order to administer day 9 tests, ensure IPC protocols are maintained, and that everyone departing meet low-risk indicators to qualify for release.
- 6 **note** that in facilities that have a cohort at the very end of their stay on 1 November priority for departure will be given to people who are on days 13 and 14 and who have received a negative day 11/12 test.

Managed isolation capacity

- 7 **note** that the number of managed isolation rooms available to border arrivals has decreased due to the conversion of rooms from managed isolation to quarantine use to support the response to the community outbreak of COVID-19
- 8 **note** Managed Isolation has taken significant interventions to support community cases as well as border arrivals and moving to a day 9 or 10 stay will not result in any capacity gain in the near future
- 9 **note** the Minister for COVID-19 Response has instructed officials to provide further advice on whether there will be additional Managed Isolation capacity available to use to increase throughput of border arrivals in the medium term

Testing regime

- 10 **note** an additional test on day 9 for border arrivals will be implemented as part of the change to a 9 or 10 day stay
- 11 **note** that determining exactly what type of test this will be will be determined as part of implementation planning
- 12 **note** that the results of the day 9 test may not be available until after a person has departed managed isolation
- 13 **note** that people will still be required to meet the other low risk indicators on day 9 or 10 in order to leave managed isolation
- 14 **agree** to a day 12 test for people who have been in Managed Isolation through community testing centres

- 15 **note** that the day 12 test would be ‘strongly recommended’ but there are limited resources available in the health sector to monitor compliance with the requirement to test.
- 16 **note** that officials will be conducting a review of the testing regime in Managed Isolation to inform ongoing consideration of the appropriate testing regime for returnees.

Interaction with quarantine-free travel arrangements

- 17 **note** that given New Zealand’s obligations under quarantine-free travel Arrangements, officials will update the Cook Islands and Niue prior to any public announcement.

Amending the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020

- 18 **agree** to amend clause 10 the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 to state that either:
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 - 18.1.2 the maximum period of isolation or quarantine is 18 days (432 hours).

OR

- 18.2 a person’s period of isolation or quarantine is 10 days (240 hours); and
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- 19 **authorise** the Minister for COVID-19 Response to make decisions consistent with the decisions in this paper on any technical issues which may arise during the drafting process.
- 20 **invite** the Minister for COVID-19 Response to issue drafting instructions to Parliamentary Counsel Office to give effect to the above recommendations.

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23 9(2)(f)(iv)

Authorised for lodgement

Hon Chris Hipkins

Minister for COVID-19 Response



Cabinet

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Reducing Managed Isolation Stays for Border Arrivals from 14 to 9 or 10 Days

Portfolio COVID-19 Response

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- 1 **referred** the proposals in the submission *Reducing Management Isolation Stays for Border Arrivals from 14 to 9 or 10 Days* [CAB-21-SUB-0424], to the COVID-19 Ministerial Group for further consideration;
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Michael Webster
Secretary of the Cabinet