



BRIEFING

Decisions and Impacts of changing MIQ stay to 10 days

Date:	21 December 2021	Priority:	Urgent
Security classification:		Tracking number:	2122-2240

Action sought		
	Action sought	Deadline
Hon Chris Hipkins Minister for COVID-19 Response	Agree to the Order changes required to implement a 10-day stay Note the impacts on MIQ for changing to a 10-day stay	21 December 2021

Contact for telephone discussion (if required)			
Name	Position	Telephone	1st contact
Andrew Milne	Acting Deputy Chief Executive, MIQ	Privacy of natural persons	✓
Kara Isaac	General Manager, MIQ Policy		

The following departments/agencies have been consulted
Ministry of Health

Minister's office to complete:

Approved

Noted

Seen

See Minister's Notes

Declined

Needs change

Overtaken by Events

Withdrawn

Comments



BRIEFING

Impacts of changing MIQ stay to 10 days

Date:	21 December 2021	Priority:	Urgent
Security classification:		Tracking number:	2122-2240

Purpose

To seek your decisions on the implementation of a lengthened 10 day stay in MIQ and advise you on the impacts of changing managed isolation stays to 10 days for all border arrivals.

Recommended action

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

- a **Note** that on Monday, 20 December Cabinet delegated authority to COVID-19 Ministers (Prime Minister, Deputy Prime Minister, Minister for COVID-19 Response and Hon Dr Ayesha Verrall) to make final decisions on the response to Omicron [CAB-21-MIN-0558 refers]

Noted

- b **Note** that we have been advised by the Department of Prime Minister and Cabinet that this delegated authority includes extending the current length of stay in managed isolation for border arrivals from seven days to ten days as soon as practicable

Noted

- c **Agree** that this change will come into effect at 11.59pm on Thursday, 23 December 2021

Agree / Disagree

- d **Agree** that:

- i. the change to a 10-day stay will apply only to new arrivals entering managed isolation after 11.59pm on Thursday, 23 December 2021 (recommended option)

Agree / Disagree

OR

- ii. the change to a 10-day stay will apply to all people currently in managed isolation as at 11.59pm on Thursday, 23 December 2021

Agree / Disagree

- e **Agree** to amend the COVID-19 Public Health Response (Isolation and Quarantine) Order 2020 (IQO) and the COVID-19 Public Health Response (Air Border) Order (No 2) 2020 (ABO) to bring these changes into effect

Agree / Disagree

- f **Agree** to issue drafting instructions to the Parliamentary Counsel Office

Agree / Disagree

- g **Agree** to consult with the Prime Minister, Deputy Prime Minister, and Associate Minister of Health, Hon Dr Ayesha Verrall on this change

Agree / Disagree

- h **Note** the following impacts on MIQ for changing to a 10-day stay:
- iii. MIQ will maintain cohorting where possible; however, the priority will be to meet existing voucher commitments.
 - iv. Moving to a 10-day stay will result in a 27 percent reduction in managed isolation capacity (approximately 1,800 rooms) every 33 days
 - v. MIQ has postponed the voucher release scheduled for today 21 December until midday, 22 December and MIQ will review the planned voucher release on 6 January 2022
 - vi. MIQ has capacity for 10-day stays in December however will be operating at capacity in January and thus may need to use operational reserves and revisit offline allocations to accommodate existing vouchers.
 - vii. MIQ will convert the Novotel/IBIS Ellerslie facility (231 rooms) in Auckland back to managed isolation rooms to meet capacity pressures in January and this is expected to occur between 25-27 December.
 - viii. MIQ expect a significant increase in MIQ exemption and emergency allocation applications as a result of a longer 10-day stay
 - ix. The Public Health Risk Assessment Tool for exemptions will be revised by the Ministry of Health to align with a 10-day stay
 - x. There are significant impacts for groups and offline allocations as a result of pushing back the medium-risk pathway to the end of February 2022 and MIQ will provide advice on this in early 2022
 - xi. MIQ will significantly under-recover costs as no person can be charged MIQ fees for more than a 7-day stay in MIQ under the COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020
 - xii. MIQ do not recommend changes to fees settings at this time and will consider options for a 10-day stay in the fees review advice in early 2022
 - xiii. The Ministry of Health will work with DHBs on options for increasing health workforce capacity that will be required for MIQ to support a ten day stay and the increased levels of occupancy that will result
 - xiv. Facilities will experience significant impacts of this change and food supplies over the Christmas weekend are a particular concern if the change was to apply to everyone already in MIQ
 - xv. Facilities may also be short-staffed, especially over the Christmas and New Year period and this creates an increased risk of IPC failure and will likely impact on the experience of some returnees in MIQ (for example, access to fresh air)
 - xvi. MIQ frontline staff are already implementing significant changes and are fatigued, this further change will require manual changes and errors may occur over the holiday period

Noted

- i **Agree** to amend clause 11(2) of the Isolation and Quarantine order to allow a MIQF site manager to end a person's period of self-isolation or quarantine up to 6 hours early, rather than 3 hours.

Agree / Disagree

j **Agree** that this briefing be proactively released with appropriate withholdings under the Official Information Act 1982.

Agree / Disagree



Kara Isaac
General Manager, Policy
Managed Isolation and
Quarantine, MBIE

21 / 12 / 2021, 1.21pm



Hon Chris Hipkins
Minister for COVID-19
Response

21 / 12 / 2021

Background

1. On Monday, 20 December Cabinet delegated authority to COVID-19 Ministers (Prime Minister, Deputy Prime Minister, Minister for COVID-19 Response and Hon Dr Ayesha Verrall) to make final decisions on the response to Omicron [CAB-21-MIN-0558 refers]
2. We understand this is a precautionary measure pending further international evidence about the severity, transmissibility and incubation period of Omicron and will be reconsidered by Ministers in January following the next public health review.
3. The Ministry of Health is providing you with separate advice on reducing the stay requirement of returnees from Very High-Risk countries from 14 to 10 days. This change will come into effect at 11:59pm on Thursday 23 December. Returnees from Very High Risk countries will still be required to obtain a negative day 8/9 test prior to departure on day 10.

Decisions required to implement a 10-day stay

4. There are two transitional options available to transitioning to a 10 day stay:
5. **Option one (preferred option):** require all returnees entering MIQ **after** 11:59pm on Thursday 23 December to stay for 10 days. This option would allow returnees currently in MIQ to exit as planned and move to their place of self-isolation following receipt of a negative day 5/6 COVID-19 test. Omicron close contacts (including people who have been on the same plane or bus as an Omicron case) are already required to stay in MIQ for 10 days, and rough estimates suggest that almost 400 returnees in MIQ are currently subject this requirement with this number expected to increase over the next two days as more Omicron cases are identified. We have consulted with the Ministry of Health on this option and have been advised that Public Health are comfortable with this approach.

Option two: require all returnees from 11:59pm on Thursday 23 December to stay for 10 days, including those already in MIQ. This option would require all returnees in MIQ when the change comes into effect to remain in MIQ for 10 days, rather than depart on day 7 for 3 days of self-isolation. Any returnees from Very High Risk countries who are on day 10+ of their stay when this change comes into effect who meet low risk indicators will be eligible for release from MIQ.
6. Returnees who are already in self-isolation at 12:01am Thursday 23 December will remain in their place of self-isolation under current requirements.

Impacts on MIQ system

MBIE will cohort to its best ability, but the priority is meeting voucher commitments

7. Cohorting provides an important defence against more transmissible variants. Facilities are only filled with arrivals across a 96-hour window, and the remaining rooms in the facility will be unused.
8. MBIE intends to maintain cohorting where possible. However, as MBIE has already released vouchers large numbers of vouchers for January based on a seven day stay model, the priority will be to meet existing voucher commitments. We will also provide you with separate advise on our ability to release any additional vouchers following Cabinet's decision to delay stage 1 of Reconnecting New Zealanders from 17 January to the end of February 2022.
9. MIQ has current quarantine capacity to accommodate up to 400 Omicron close contacts (close contacts) for 10 days while maintaining cohorting across the system. This is expected to be exceeded in the next two days.

Testing regime

10. Public Health has confirmed that the testing requirements for a 10-day stay will be testing on day 0/1, day 3, day 5/6 and day 8/9. This is consistent with current 7+3 settings.
11. The Ministry of Health advises that the current percentage of tests turned around within 24 hours remains high. Day 8/9 testing provides some flexibility to ensure that returnees can be released on day 10, and that MIQ's planning schedules remain intact. There is a residual risk that some arrivals may not be able to be released on day 10.

We expect capacity to decrease but intend to continue with voucher releases, where possible

12. Moving to a 10-day stay will result in a 27 percent reduction of capacity, approximately 1,800 less rooms over 33 days.
13. MIQ has postponed the voucher release for 21 December to 22 December with final decisions yet to be taken about the scale and distribution of that release. We will also review the planned release for 6 January 2022 once additional forecasting work has been completed.
14. MIQ can accommodate the move to a 10-day stay in December due to vouchers being handed-back or not taken up through recent voucher releases [HR20212730 refers]. However, the system will be operating at capacity in January. With Reconnecting New Zealanders step 1 pushed back to the end of February, MIQ will need to use operational reserves and possibly revisit some offline allocations to meet demand.
15. MIQ will convert the Novotel/IBIS Ellerslie facility (231 rooms) back from quarantining community cases to isolation rooms. The Holiday Inn Auckland and Jet Park facilities will continue to accept community quarantine cases.

Exemptions and groups

16. We expect MIQ exemption and Emergency Allocation requests to increase as a result of a move to 10 days. The Public Health Risk Assessment tool will be revised to reflect the current public health risk assessment and a 10 day stay.
17. There are also likely to be significant issues for groups and other offline allocations overall as a result of both a longer MIQ stay and pushing back the opening of the medium risk pathway. Since the public announcement about Reconnecting New Zealanders on 24 November a number of groups and other people who have been granted offline allocation vouchers e.g. time sensitive travel vouchers, have either cancelled their vouchers or not applied for a voucher, expecting that they will be able to enter under the medium-risk pathway instead. Cancelled vouchers have since been re-released onto MIAS.
18. We expect when these changes are announced a number of groups and individuals may seek to revisit their previous allocation. However it is unlikely MIQ will be able to accommodate them particularly in January. We will provide further advice regarding this in early January.

We expect cost recovery will decrease

19. The COVID-19 Public Health Response (Managed Isolation and Quarantine Charges) Regulations 2020 (the Regulations) provide fee levels that had been calculated at a 7-day pro-rata rate. Increasing fees to take into account the longer stay would require changes to the Regulations.
20. The current MIQ charges also represent a significant under-recovery compared to actual costs and the move to a 10-day MIQ stay will further impact our ability to recover costs., We

estimate that monthly revenue would reduce by approximately \$2.628m per month (including GST). We also understand that the change to a 10-day stay will allow us to understand more about the Omicron variant and therefore may not be a permanent MIQ setting.

21. We consider that there is little benefit in changing the Regulations under urgency to increase cost-recovery and do not recommend any changes at this stage. Most people affected by the change would be eligible to apply for fee waivers and thus, the impact on cost-recovery would be minimal. Any changes would also add significant complexity to the fees system. Increasing fees could also create uncertainty for returnees and could be viewed as inequitable.
22. MBIE is undertaking a review of the MIQ fees system and will provide you with options in early 2022. We will consider options for responding to changes to the length of stay when required by changing public health settings as part of our review.

Impacts on workforce

Health workforce

23. We have previously advised along with Health that in every region other than Canterbury there are not sufficient health staff to support 100 percent occupancy of existing managed isolation rooms, which provides a further limitation on MIQ's capacity. The Ministry of Health will work with DHBs to explore how the health workforce can support the increased occupancy.

Hotel workforce

24. There are larger impacts to hotels if the 10 day stay applies to all people currently in MIQ facilities. Any facilities that were expecting their hotels to be empty over the holiday period (i.e. between cohorts) are unlikely to be provisioned up or staffed up appropriately to look after returnees who are now required to stay extra days, especially over the holiday period. These facilities will not have ordered food or have the appropriate staff rostered on to prepare and deliver the meals. Rosters over the holiday period generally have to be set for weeks in advance, therefore it will be very hard for hotels (and any other MIQ workforce) to upscale rosters at such late notice and they may be short-staffed, especially over the Christmas and New Year period. This will have an impact on some returnees experience in MIQ.

Overall workforce

25. This change comes at a time of year when staff are already adapting to significant system changes. MIQ will need to use manual processes to effect this change, staff are fatigued, and therefore the risks of error over the holiday period are likely to increase. Of particular concern is the risk of increased IPC errors which increases the risk of the Omicron variant entering the community. MIQ and the Ministry of Health are actively reviewing IPC procedures and processes.

Allowing people to leave MIQ 6 hours early to allow for practical departure

26. The delay of the Medium Risk Pathway means that a number of changes to the Isolation and Quarantine Order will not go ahead before Christmas as planned. As such, given the propensity of the holiday period to further restrict travel opportunities, we recommend proceeding with a change to clause 11(2) of the Order to allow for a person's period of isolation or quarantine to end up to 6 hours early. Currently this provision only provides for 3 hours, and in some areas because of the transit times from a facility to the airport and connecting flights, people are missing the opportunity to arrive home the day their period of isolation or quarantine ends. Making this change now will support people's travel home over the holiday period.

Next steps

27. In early 2022 we will provide you with further advice on the impact of a 10 day stay on:
 - a. MIQ fees settings
 - b. MIQ capacity, groups, and other offline allocations