

Part J. PHO Specific Terms and Conditions

J.1 Priority of PHO Specific Terms and Conditions

- J.1.1 This Part J contains provider specific terms and conditions that are additions to the standard provisions in Part A to Part I of this Agreement. These PHO specific terms and conditions are terms and conditions specific to you, your PHO type or the type of services you provide.
- J.1.2 Clause B.3.11 governs the priority of the parts of this Agreement.

J.2 List of service specifications

- J.2.1 You will deliver the Services described in the following service specifications (attached as Schedules to this Part J) in the geographical locations specified in each Schedule:

- (a) [list all the service schedules attached];

DHBs – all national schedules in Part J should be number Schedule J1, Schedule J2, Schedule J3 etc
All DHB-local schedules should be numbered in a separate sequential numbering series starting with J101

J.3 Location of enrolled population

DHBs – It is critical that geographical coverage areas be agreed with PHOs prior to entering in to this agreement. This clause links to clause D.2.7 and provides the ONLY grounds for not consenting to a Contracted Provider for reasons of its locality.

- J.3.1 Unless we agree otherwise you will enrol persons into your Enrolled Population only at practices within the geographical areas which we are responsible for as specified in schedule one to the Act. You may be required to provide the Services at different and/or more limited locations as specified in Schedule J6 to this Part J.
- J.3.2 [You will provide Services only at locations [within the geographical areas which we are responsible for as specified in schedule 1 to the Act]
- J.3.3 [You will [or will not] provide Services [only] at locations specified below:
- (a) [agreed permitted or prohibited locations]
- J.3.4 You may enroll persons into your Enrolled Population from outside the geographical areas which we are responsible for as specified in schedule 1 to the Act.]

For negotiation on a case by case basis.

J.4 Your proposal to be funded as a PHO

- J.4.1 You submitted to us a proposal to be funded as a PHO dated [] and entitled “[]”. You will ensure that you deliver the Services in accordance with that proposal. In particular, you will ensure that:
- (a) [Characteristics of Proposal with which PHO must comply...]

[Note: If proposal has been varied through negotiation, do not append original proposal]

J.5 Continuing agreements

- J.5.1 The following existing agreements between us will continue to apply to those aspects of the Services to which they relate:
- (a) [list agreements]
- J.5.2 In the case of any inconsistency between any existing agreement listed in clause J.5.1 and any term contained in Part A to Part I of this Agreement, the term contained in Part A to Part I of this Agreement shall take precedence.

J.6 Payment direct to Contracted Providers

- J.6.1 We will pay each Contracted Provider directly for the Services that the Contracted Provider has delivered under this Agreement to Casual Users, provided:
- (a) you have authorised us to do so under clause F.3.4;
 - (b) the Contracted Provider has a payee number approved by you for the purposes of Payment under this Agreement; and
 - (c) all Claims for Payment for the Services, made under this Agreement are made under the Agreement Reference Number.

J.7 Access Practices

Use this clause where the PHO includes Access Practices

- J.7.1 At the Commence Date the following general medical practices deliver services to a subset of your Enrolled Population and meet the Ministry of Health's criteria for Access Practices, and accordingly will be funded according to the Access Practice funding formula set out in clause 1.3 of Schedule F1 to Part F:
- (a) [list Access Practices]
- J.7.2 The list of Access Practices set out in clause J.7.1 may be varied in writing between us both.

J.8 Temporary Limitations

Management Services

- J.8.1 Notwithstanding clause D.14, we acknowledge that you may be prevented from performing the full extent of management services required under this Agreement, due to reasons including the total level of funding.
- J.8.2 You will use your best endeavours to provide the PHO management services described in this Agreement.
- J.8.3 Where you believe that you will not be able to perform the management services described in this Agreement, you will notify us of the extent to which you are prevented from providing those services and the reasons for that inability.

- J.8.4 Without limiting any rights under this Agreement, we both will then discuss the matters where you are prevented from performing the management tasks and we both will seek to reach agreement.

Health service delivery

- J.8.5 Notwithstanding clause D.14, we acknowledge that you or your Contracted Providers may be prevented from performing the full extent of service delivery described in clauses H.3, H.4 and H.8, due to reasons including the level of funding available under this Agreement.

- J.8.6 You and your Contracted Providers will use best endeavours to provide those services. Where you believe that you will not be able to perform, or perform to the full extent, the service delivery required under clauses H.3, H.4 and H.8, you will notify us of the extent to which you are prevented from providing those services and the reasons for that inability.

- J.8.7 Without limiting any rights under this Agreement, we both will then discuss the matters where you are prevented from performing the service delivery and we both will seek to reach agreement.

NHI compliance

- J.8.8 We may agree with you to waive the penalty described in clause 4.2 of Schedule F3 for a period of 6 months where you or your Contracted Provider:

- (a) operate within an area of high casual load according to criteria set out in Schedule J5;
- (b) were previously capitated or bulk funded and were not required to submit casual claims for GMS, or were not required to meet the NHI threshold on casual claims under that funding arrangement.

- J.8.9 We agree to Pay you an interim NHI quality incentive Payment 6 monthly for reaching levels of NHI compliance above 70% on casual claims. The amount we will Pay will be equal to an amount per claim with a valid NHI, payable only if you have reached 70% or higher levels of NHI compliance on casual claims in the six-month periods to 31 December and 30 June of each year. The amount per claim will be calculated by taking half the nationally allocated annual sum of \$500,000 and dividing it by the total national number of qualifying casual claims with valid NHIs made by PHO practices in the six months to 31 December and 30 June, respectively.

- J.8.10 This interim quality Payment will cease once system improvements are made that improve access to NHIs for primary care practices. The phrase "system improvements" means:

- (a) a bulk matching facility which generates NHIs from GMS claim data and sends it back to the claimant; or
- (b) any other development that significantly improves access to NHIs and lowers compliance costs.

- J.8.11 We will give you notice in writing of our intention to cease the interim NHI Payment in accordance with clause J.8.10. If you disagree either of us may refer the matter to dispute resolution in accordance with clause D.16.

J.9 Non-termination period

- J.9.1 Subject to clause A.5.5, we will not terminate this Agreement under clause D.17.6(b) before [date].

J.10 Further development of the PHO Agreement

- J.10.1 We both acknowledge that there are outstanding issues in this Agreement and in the Referenced Documents that either you or we wish to review and resolve. The outstanding issues are listed in Schedule J4. We both agree to follow the process described in the Referenced Document entitled "Transitional PHO Agreement Amendment Protocol" to resolve those outstanding issues.
- J.10.2 Notwithstanding clause B.3.11, we both agree that if during the term of this Agreement there is a dispute between us both over the application of any of the terms or conditions of this Agreement that are included within the list of outstanding issues in Schedule J4, then we both will meet together to resolve the dispute before any other actions are taken by either of us.

J.11 Reviewing Part J

- J.11.1 We both agree to meet annually to review this Part J to ensure, amongst other matters, that Payment rates remain fair and reasonable, provided that this clause does not oblige either of us to agree to any proposed variation to any aspect of this Part J.

J.12 Referred Services Management

- J.12.1 [You will manage Referred Services budgets in accordance with the contractual arrangements that existed between us (or our predecessor) and your Contracted Providers or any Primary Care Organisation that your Contracted Providers may have belonged to, prior to the commencement of this Agreement.]
- J.12.2 [If savings become available to you through continuing any such contractual arrangements, we will continue to Pay you in accordance with those contractual arrangements and you will spend savings on priority health areas agreed between us both.]
- J.12.3 [We both acknowledge that during the term of this Agreement, the Referred Services management arrangements referred to in this clause J.11 will be replaced by a new specification for Referred Services management, when agreed by us both.]
- J.12.4 [As part of our agreement on Referred Services management, we require you to report on the following matters [when/how - process]:
- (a) Locum Flag (if applicable);
 - (b) Budget Holding Flag (if applicable);
 - (c) For Medical Practitioners who have joined, whether or not the member has bought an established practice or a share of that practice;
 - (d) For Medical Practitioners who have left, whether they sold their practice or share of a practice; and
 - (e) For Medical Practitioners who have sold their practice or share of a practice, the NZMC number of the purchaser.]

For negotiation between DHBs and PHOs on a case by case basis

J.13 Special agreements regarding exit of Practitioners

J.13.1 [Enter any agreement regarding practice location of exiting practitioners]

J.14 Meningococcal Immunisation Programme – PHO Coverage Quality Payments

J.14.1 Subject to the provisions of clause 10 of Schedule F2, the total quality Payment we will make will be notified to you three months prior to the commencement of the meningococcal immunisation programme by you.

SCHEDULE J1

QUALITY SPECIFICATIONS

This Schedule anticipates that DHBs may wish to include further provider specific, general quality requirements (in addition to service specific requirements contained in each service schedule)

The following areas might be considered for inclusion.

- Incident Reporting;
- Infection Control;
- abuse / neglect;
- Service Information for the PHO and all sub-contractors;
- Consumer Rights to display the Health & Disability Code information;
- surveying of consumers and referrers etc for satisfaction;
- training and development of staff;
- HR staff management;
- possible implications of the impending Health Practitioners Competency Assurance Bill for Registration of Health professionals / practicing certificates;
- Community engagement;
- Multidisciplinary team work;
- Governance functioning.

SCHEDULE J2

FEE LEVELS

This Schedule sets out the fees levels that you have notified to us.

These can be specified by practice or by PHO as agreed case by case.

SCHEDULE J3
RURAL PREMIUMS

1. Workforce retention funding

1.1 The following table illustrates the workforce retention funding allocation formula.

Rural ranking score	\$ per capita ¹ GST inclusive
35-40	\$ 7.42
45-50	\$ 11.13
55-65	\$ 14.83
70 +	\$ 18.54

1.2 Your rural workforce retention funding is calculated as \$.....:

Rural ranking score	No of Enrolled Patients	\$ amount
35-40		
45-50		
55-65		
70 +		
Total		\$

2. Rural reasonable roster funding

2.1 We contracted funding to improve roster arrangements to the practices / Contracted Providers specified in the table below:

Practices /providers	\$ amount

¹ Per capita relates to enrolled patients excluding casual visitors.
DHB PHO V17.0

3. Remote practice areas

3.1 We will Pay you a total amount of \$.....in addition to the capitation Payment on behalf of the Enrolled Population(s) of the following remote practice area(s).

A	B	C	D
Remote practice area	Amount previously spent on primary health care service delivery	PHO capitation Payment for Enrolled Population of remote practice area	Extra funding to support remote practice (that is, the \$ amount that B exceeds C)*..

Note that if the \$ amount in B does not exceed C, then this provision does not apply.

3.2 When the Enrolled Population of the remote practice area increases, you will not receive increased capitation funding until the amount in column C exceeds the amount in column B in the table above.

3.3 You cannot introduce patient charges in the following areas without first obtaining Ministerial agreement which should be sought through us:

[area]

SCHEDULE J4

OUTSTANDING ISSUES

The issues listed in this Schedule J4 will be resolved in accordance with the processes outlined in clause J.10 of this Agreement and the Transitional PHO Agreement Amendment Protocol.

1. Payment Issues

No	Issue Name	Clause(s) involved
1.1	Management fees	Schedule F1, 2.1
1.2	Immunisation fees	Schedule F2, 4.2
1.3	Casual deductions	Schedule F1, 1.4

2. Obligations

No	Issue Name	Clause(s) involved
2.1	Immunisation Coordination	Schedule H1, 2.2
2.2	Establishment Services Specifications	Part H
2.3	Under 6	Schedule F4 clause 9.1
2.4	Information on Referred Services	I.1 to I.4
2.5	Rural Premium Reports	I.8
2.6	Daily Record	E.10
2.7	Rural Services	Schedules F5 and F6
2.8	Referred Services Management	J.12

3. Other

No	Issue Name	Clause(s) involved
3.1	GMS Definition	Schedule H2
3.2	Quality Indicators	I.12
3.3	HealthPAC Reporting Requirements	I.13
3.4	Audit Protocol	New audit Protocol to be developed

SCHEDULE J5

CRITERIA FOR THE IDENTIFICATION OF HIGH CASUAL LOAD

[such agreement to be reached in accordance with the guidelines to be developed and approved as a Referenced Document according to clause D.10]

SCHEDULE J6

SERVICES AT DIFFERENT AND/OR MORE LIMITED LOCATIONS

[Enter the parties' agreement with respect to the PHO's requirement to provide the Services at different and/or more limited locations]

SCHEDULE J7

CARE PLUS PREPARATORY SERVICES

1. Service Objectives

- 1.1 You will provide Services to prepare you and your Contracted Providers to provide Care Plus Services.

2. Start and End Date

- 2.1 We agree that you will provide these Care Plus Preparatory Services during a period ("the Preparatory Period") that will start on [1 April 2004] ("the Start Date") and end on [1 July 2004] ("the End Date").
- 2.2 During the Preparatory Period we may both agree in writing to extend the Start Date and the End Date so long as the new End Date is no later than six months from the Start Date.

3. Service Components

Support and Administrative Services

- 3.1 When delivering Care Plus Services you will need to supply the following support and administrative Services:
- (a) support for Contracted Providers to identify individuals eligible for Care Plus Services;
 - (b) liaising with DHBs to assist with identifying individuals eligible for Care Plus Services;
 - (c) support for the delivery of Care Plus Services through, for example, employing or contracting additional Practitioners or providers to work with Contracted Providers;
 - (d) coordinating with other relevant health care providers to arrange improved access to diagnostic testing and other supporting services;
 - (e) administrative systems to pay and monitor providers of Care Plus Services;
 - (f) provision of documentation to support implementation such as Care Plan templates and patient information;
 - (g) management and delivery of reporting requirements;
 - (h) on-going training and quality improvement systems for relevant staff including those working as part of Contracted Providers; and
 - (i) systems to ensure that, as much as is feasible, available Care Plus funding is applied to provide services to the full expected number of Care Plus Patients.
- 3.2 During the Preparatory Period you will develop processes to enable you to provide the support and administrative services listed above including:
- (a) information to help identify individuals eligible for Care Plus Services;
 - (b) getting ready to support the delivery of Care Plus Services;

- (c) preparing administrative systems to pay and monitor providers;
- (d) preparing documentation such as care plan templates and patient information preparing for management and delivery of reporting requirements;
- (e) training and quality improvement systems for relevant staff including those working as part of Contracted Providers;
- (f) preparing systems to ensure that funds are used appropriately to provide services to the full expected number of Care Plus Patients; and
- (g) starting to link with other services to ensure that Care Plus Services are delivered as part of a coordinated programme of care.

Charges for Care Plus Patients

- 3.3 Given that Care Plus Services are new services to be reviewed after 12 months operation, and we both accept that Care Plus Patients should receive reduced or low cost access to Care Plus Services, the fees framework in contract F4 clause 2 may not be a suitable mechanism for the 18-64 patients in Interim PHOs. Therefore we both agree that another process for providing assurance to us that these Care Plus Patients will receive reduced or low cost access will be considered and developed by the end of April 2004 through the Transitional PHO Agreement Amendment Protocol (or any other Referenced Document that replaces that transitional protocol document).

Proposal to deliver Care Plus Services

- 3.4 At least thirty working days before the End Date of the Preparatory Period you will submit for our approval a written proposal for how you will deliver Care Plus Services. This proposal will be based on a Care Plus business plan template¹ supplied by us. In this proposal you will describe the systems you are establishing to support, train, fund and monitor the providers of Care Plus Services, and to manage Care Plus finances.

4. Payment

- 4.1 We will Pay you the sum of \$9,777.78 (excluding GST) and \$1.01 (excluding GST) per Enrolled Person for the Preparatory Period regardless of its length.
- 4.2 If the Inland Revenue Department has given approval for our Payment Agent to issue a buyer created tax invoice for your Payment then our Payment Agent will send you an invoice and Pay you during the first month of the Preparatory Period.
- 4.3 If the Inland Revenue Department has not given the approval referred to in clause 4.2 then:
- (a) during the first month of the Preparatory Period we will inform you of the total Payment due to you under clause 4.1 according to the number of Enrolled People; and

¹ This is the same business plan template that you used to complete a draft business plan prior to entering the care plus preparatory period.

- (b) you will send an invoice to our Payment Agent for that amount including the following information:
 - (i) PHO Agreement Number
 - (ii) PHO Payee Number
 - (iii) PHO GST number
 - (iv) Reference Number (internal to the PHO)
 - (v) Service Type Description = Care Plus Preparatory Payment
 - (vi) Amount Payable (GST exclusive)
 - (vii) GST Amount
 - (viii) Total Amount Payable

- (c) We will Pay you within 20 Business Days from the date of receipt of your invoice.

5. Agreement to proceed to delivery of Care Plus Services

- 5.1 At least twenty Business Days before the End Date we will notify you in writing about whether we approve your proposal for delivering Care Plus Services.
- 5.2 If we do not approve your proposal we will clearly explain what you need to do to gain approval to deliver Care Plus Services. We will meet with you to discuss this explanation if you wish.
- 5.3 If for any reason you are not able to proceed to deliver Care Plus Services by the End Date the agreements in this Schedule J7 will terminate.