



Voluntary Bonding Scheme Terms and Conditions for New Graduate Doctors 2017

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1. Introduction

- 1.1 The Voluntary Bonding Scheme (the Scheme) is an incentive based payment scheme that has been introduced by the Government to encourage new graduate doctors to work in hard-to-staff communities and then hard-to-staff specialties for three to five years after graduation.
- 1.2 These Terms and Conditions apply to new medical graduates who completed studies toward their undergraduate medical degree in 2016 and who register for the Scheme in 2017. If you register for the Scheme as a postgraduate doctor in general practice, please refer to the 2017 Terms and Conditions for postgraduate general practice doctors.
- 1.3 To be eligible for the Scheme in the new graduate category, you must:
 - have completed your final year of undergraduate study towards your medical degree in 2016 at an accredited New Zealand Training Institution (clauses 1.10 to 1.12);
 - be a New Zealand citizen or permanent resident ¹ at the time you make an application for payment;
 - be registered, or be eligible to be registered with the Medical Council of New Zealand;
 - be working, or intending to work, in a hard-to-staff community and then specialty as per the eligibility criteria for Medicine, for three to five years (clauses 4.8 to 4.12); and
 - comply with all other terms and conditions of the Scheme.
- 1.4 Involvement in the Scheme involves four phases:
 - registration of Interest
 - confirmation of place on the Scheme
 - participation (employment)
 - applications for payment.
- 1.5 In order to be eligible for payment, you must register for the Scheme, have your place on the Scheme confirmed and meet the Scheme's Terms and Conditions during the participation phase.
- 1.6 You will not be eligible for any payment from the Scheme until you have completed at least three full years (36 months) on the Scheme, in accordance with these Terms and Conditions.
- 1.7 The Scheme is a voluntary process and you, not the Ministry of Health (the Ministry), are responsible for any employment decisions you may make based on your intended participation in the Scheme, including decisions about working in hard-to-staff communities and specialties.
- 1.8 You are responsible for notifying the Ministry of any change of postal address, email address or other contact details in a timely manner.
- 1.9 There are limited places available on the Scheme. Where eligible Registrations of Interest exceed the number of places available on the Scheme, a ballot process will be applied for selection. This is not subject to appeal.

¹ For the purposes of the Scheme, Permanent Residents include those who hold a NZ Permanent Resident Visa, or a Returning Resident Visa, or Australian Citizens.

New Graduate Education Prerequisites

- 1.10 You must:
- have completed the requirements of an undergraduate training programme for Medicine in 2016 from an accredited New Zealand tertiary institution AND
 - be eligible to be registered with the Medical Council of New Zealand.
- 1.11 Accredited New Zealand training institutions for Medicine are:
- University of Auckland
 - University of Otago.
- 1.12 New Zealand citizens and permanent residents who gained their base professional qualifications from an overseas training institution in 2016 and who meet the registration requirements of the Medical Council of New Zealand may be considered for the Scheme on a case-by-case basis, if they meet all other eligibility criteria and other Terms and Conditions of the Scheme. This will be assessed prior to confirmation of a place on the Scheme.

Definition of a New Graduate

- 1.13 Eligible new graduates are those who completed their undergraduate studies in 2016 and can provide evidence of having done so, irrespective of the date of their graduation ceremony.

2. Registration of Interest

- 2.1 In order to be a participant on the Scheme, you must successfully register your interest and be confirmed on the Scheme.
- 2.2 To register your interest you must complete the online Registration of Interest form and provide information to show that you meet, or intend to meet, the eligibility criteria of the Scheme. The Registration of Interest period is typically six weeks in duration. You are responsible for ensuring that you register during this period. Entries outside this period will not be considered. It is your responsibility to ensure that you successfully register for the Scheme, and obtain an email from the Ministry confirming this.
- 2.3 A Registration of Interest is not an application for a place on the Scheme. The purpose of the Registration of Interest process is to provide information about your future work plans so that you can be considered for one of the places on the Scheme.

3. Confirmation on the Scheme

- 3.1 There are limited places on the Scheme. Successfully registering your interest for the Scheme does not guarantee you will be confirmed on the Scheme.
- 3.2 A separate process will be conducted by the Ministry (following consideration of your Registration of Interest) to formally confirm you on the Scheme. You will be advised in writing whether your place on the Scheme has been confirmed.
- 3.3 Where the eligible numbers of Registrations of Interest exceeds the number of places on the Scheme, a ballot process will be applied for selection. This is not subject to appeal.

4. Participation

4.1 Once you are confirmed on the Scheme, your participation is determined by:

- your commencement date on the Scheme
- minimum employment requirements
- movement between hard-to-staff communities and/or specialties
- breaks and pauses in your employment
- parental leave
- work you may undertake as a locum.

In order to be eligible to receive payment from the Scheme you must comply with the eligibility criteria for payment (clause 5).

Eligibility Criteria

4.2 There are two options for doctors to enter the Scheme:

- **New graduate doctors:** These 2017 Terms and Conditions apply to new graduate doctors, who completed studies towards their undergraduate degree in 2016, and register for the 2017 Intake of the Scheme.
- **Postgraduate General Practice doctors:** These 2017 Terms and Conditions **DO NOT** apply to postgraduate doctors who register for the Scheme in 2017 in the postgraduate category – please consult the 2017 Terms and Conditions for postgraduate general practice doctors.

4.3 If you register for the Scheme and go on to receive payment under the new graduate category, you will not be eligible to re-register in a later year under the postgraduate general practice category.

New Graduate Doctor Entry

4.4 To be eligible for the Scheme new graduate doctors must:

- work as a doctor in one of the hard-to-staff communities for doctors (clause 4.9) for at least two and up to three years AND THEN
- be accepted into a vocational training programme for one of the hard-to-staff specialties for doctors (clause 4.11) for the remainder of the three to five year bonding period.

4.5 After you have fulfilled the hard-to-staff community requirement and have been accepted into a vocational training programme for a hard-to-staff specialty, you may work in any community and participate in any work required by the vocational training programme, with the exception of General Practice, where participants are limited to the communities listed in clause 4.13.

4.6 You may have up to three years to complete the two year requirement in a hard-to-staff community. However, only two of those three years in a hard-to-staff community will count towards your first bonding period. The purpose of this provision is to allow participants time to gain experience prior to entering a vocational training programme for a hard-to-staff specialty. Once the two year community requirement has been met, the third year may be worked in any New Zealand community, but must be worked in accordance with the minimum employment requirements, breaks and pauses and parental leave clauses (4.19 to 4.21 and 4.25 to 4.31).

4.7 If you complete your vocational training before the end of the bonding period, you must continue to work in your hard-to-staff specialty to be eligible for the remaining payments.

4.8 Where communities are defined by reference to a district health board (DHB), the area is that specified for that DHB under the New Zealand Public Health and Disability Act 2000.

4.9 The **2017 hard-to-staff communities** are:

- Northland DHB
- Thames Hospital
- Lakes DHB
- Whakatane Hospital
- Tairāwhiti DHB
- Taranaki DHB
- Whanganui DHB
- Wairarapa DHB
- Wairau Hospital
- West Coast DHB
- South Canterbury DHB
- Southland Region

4.10 Once you have completed the two year community portion (as per clauses 4.2 to 4.9), you must then commence vocational training in one of the listed specialties within the maximum timeframe allowed under the Scheme (see clauses 4.6 and 4.25 to 4.35). Please contact vbs@moh.govt.nz if you have any queries.

4.11 The **2017 hard-to-staff specialties** are:

- General Practice (in one of the communities listed in clause 4.13)
- Psychiatry (in any NZ community)
- Pathology (in any NZ community)
- Rural Hospital Medicine (in any NZ community)

4.12 These specialties are as listed by the Medical Council of New Zealand in the table of Vocational Scopes of Practice and Associated Prescribed Qualifications documented in the New Zealand Gazette of February 2012.

4.13 If you have entered the Scheme as a new graduate and choose to specialise in general practice, you are restricted to certain communities whilst in general practice vocational training.

The Hard-to-staff training communities in 2017 for GPs are:

- Northland DHB (excl Whangarei urban)
- Waikato DHB (excl Hamilton and Cambridge)
- Bay of Plenty DHB (excl Tauranga and Whakatane urban)
- Lakes DHB
- Tairāwhiti DHB
- Hawkes Bay DHB
- Taranaki DHB
- Whanganui DHB
- Midcentral DHB
- Wairarapa DHB
- West Coast DHB
- Canterbury DHB (excl Christchurch other than Banks Peninsula)
- South Canterbury DHB
- Southern DHB (excl Dunedin, Mosgiel and Invercargill)

Changes to Hard-to-Staff Communities, Specialties and Professions

4.14 If you wish to change either your specialty or the community you are working in you may do so only in accordance with clauses 4.22 to 4.24.

Commencement Date

- 4.15 If you were already working in a hard-to-staff community or specialty on or before 1 January 2017, your Commencement Date on the Scheme is **1 January 2017**. Time employed in an eligible position prior to this date does not contribute towards the bonding period.
- 4.16 If you began (or begin) working in a hard-to-staff community or specialty, after 1 January 2017, your Commencement Date is the date on which your employment began.
- 4.17 If you have indicated in your Registration of Interest that you intend to shift into a hard-to-staff community or specialty, your Commencement Date is the date that your employment in a hard-to-staff community or hard-to-staff specialty begins.
- 4.18 If you have not commenced employment in accordance with these requirements by **30 June 2018**, your registration confirmation on the Scheme will lapse and you will cease to be eligible for the Scheme or payments.

Minimum Employment Requirements

- 4.19 To be eligible for the Scheme, you must be employed for a minimum of 0.6 FTE (this may be an average FTE for any 12 month period of employment if your hours worked fluctuated for any reason).
- 4.20 You will not be eligible for payment from the Scheme if you undertake substantive or continuous locum work means that you cannot meet the breaks and pauses clauses (clauses 4.25 to 4.28 and 4.32 to 4.35).
- 4.21 You are responsible for verifying that the FTE requirements have been met and will be required to make a declaration and provide a certificate of service from your employer(s) before each bonding payment is made (clause 5).

Moving Between Hard-to-Staff Communities and/or Hard-to-Staff Specialties

- 4.22 While you are completing the community portion, you may move between hard-hard-to-staff communities listed in clause 4.9 OR listed in any Terms and Conditions for new graduate doctors after 2017.
- 4.23 While you are completing the specialty portion, you may move between hard-to-staff specialties listed in clauses 4.11 OR listed in any Terms and Conditions for new graduate doctors after 2017. Note that participants in vocational training for general practice are restricted as to what community they may work in (see clauses 4.13 to 4.14). If you have any questions, please contact the Ministry at ybs@moh.govt.nz.
- 4.24 You cannot move to a hard-to-staff specialty or community that is listed in any Voluntary Bonding Scheme Terms and Conditions before 2017.

Breaks and Pauses in the Term of Service

- 4.25 You can take up to 14 weeks absence (total paid and unpaid leave, not including Parental Leave) in a 12 month period from your position in a hard-to-staff community and/or hard-to-staff specialty without affecting your eligibility for bonding payments. Such an absence is known as a “break”.
- 4.26 A “pause” is any time beyond the 14 weeks break allowance that you spend away from the hard-to-staff community and/or hard-to-staff specialty. Time taken as pauses is added to the term necessary to complete the bond, and no more than ten weeks may be added

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during the course of any one year. No more than 50 weeks in total can be added to the five-year bonding term.

Total absences of more than 24 weeks in any 12 month period (not including Parental Leave) will render an applicant ineligible for the Scheme and payments.

- 4.27 Breaks and pauses include any leave or absence from employment, with or without pay, including normal employment leave entitlements, such as annual leave and sick leave.
- 4.28 Locum work will also be considered against the breaks and pauses provisions (see clauses 4.32 to 4.35).

Parental Leave

- 4.29 You may take up to 52 weeks parental leave, in accordance with the Parental Leave and Employment Protection Act 1987 and remain on the Scheme.
- 4.30 Time spent on parental leave does not accrue towards your bonding period and must be made up. The bonding period will automatically restart as soon as you return to work in a hard-to-staff community and/or hard-to-staff specialty listed in clause 4.8, 4.10 and 4.12.
- 4.31 Time spent on parental leave is separate to the break and pause provisions (clauses 4.25 to 4.28).

Working as a Medical Locum

- 4.32 Locum work that you may undertake is considered an absence under these terms. If you undertake locum work such that you cannot meet the breaks and pauses clauses (clauses 4.25 to 4.28), you will not be eligible for payment from the Scheme.
- 4.33 Locum work that you undertake as a necessary part of a medical vocational training programme for a hard-to-staff specialty is permitted, but verification of this must be submitted with an application for payment.
- 4.34 For the purposes of the Scheme, a locum is considered to be someone who provides the services in the stead of another practitioner registered within the same scope of practice.
- 4.35 When you apply for payments from the Scheme, you will be asked to confirm that you have not engaged in “substantive” locum work.

Exemptions and Reviews in Exceptional Circumstances

- 4.36 If there is a change in your circumstances that is exceptional and results in an inability to meet the 2017 Terms and Conditions, you may request an exemption for a specified period from the Ministry. Exemptions from the standard Terms and Conditions will only be granted in exceptional circumstances, at the discretion of the Ministry. It is strongly recommended that you seek an exemption prior to becoming ineligible under the normal terms. If you are applying for payment, and have not met the terms due to exceptional circumstances, you can also request a retrospective review.
- 4.37 Applications must be made in writing, with a clear explanation as to what clauses cannot be met and the exceptional circumstances which have prevented you from meeting the Terms. These can be sent to vbs@moh.govt.nz, or submitted along with an application for payment.

5. Payment

- 5.1 You are responsible for initiating the first claim for payment after three full years (36 months) have been completed on the Scheme, in accordance with these Terms and Conditions, starting from your Commencement Date (see clauses 4.15 to 4.18).
- 5.2 If you remain on the Scheme for a fourth and fifth year, you are responsible for initiating the second and third claims for payment.
- 5.3 The Ministry strongly encourages you to apply for payment no later than nine months after becoming eligible to apply.
- 5.4 You will only be eligible for payments if:
- been employed for at least three full years (1st payment) in accordance with these Terms and Conditions. Up to two additional payments can be applied for upon completion of a fourth or fifth year.
 - you have met the minimum full time equivalent (FTE) employment requirements (clauses 4.19 to 4.21)
 - you have complied with the rules governing breaks and pauses (clauses 4.25 to 4.28), Parental Leave (4.29 to 4.31), and locum work for the Scheme (clauses 4.32 to 4.35).
- 5.5 No payments will be made until you have:
- applied for payment in accordance with the application for payment process
 - submitted a declaration confirming that you have met these Terms and Conditions
 - provided a certificate of service from your employer(s) confirming that your employment has complied with the Terms and Conditions of the Scheme during the bonding period.
- 5.6 Details of further information required to confirm that you have met these Terms and Conditions and to enable payment to be made (e.g. proof of identity) are outlined in the payment application form, which will become available on the Ministry of Health website early January 2020.
- 5.7 If you have a student loan, the net Scheme payment(s) will be made against your student loan. If the balance of your student loan is less than the Scheme payment(s), you will need to contact Inland Revenue once the payment has been made to enable the difference to be paid to you.
- 5.8 If you do not have a student loan, the net Scheme payment(s) will be paid directly to you.
- 5.9 Payment for doctors for each period of 12 months completed on the Scheme is **\$10,000** after tax (net).
- 5.10 If you are an independent contractor, a gross payment will be made and the net amount you receive will depend upon your personal tax situation.
- 5.11 Scheme payments are subject to income tax and may affect your tax situation, for example, in relation to provisional tax, Working for Families and child support payments.
- 5.12 The Ministry recommends that you seek independent advice on how the payment will affect your tax position. For further tax information, contact Inland Revenue.

6. Privacy Statement

- 6.1 All of the information you provide in the Registration of Interest form will be treated as personal information and will be used, stored and disclosed in accordance with the provisions of the Privacy Act 1993.
- 6.2 By submitting the Registration of Interest form, you are authorising the Ministry of Health to collect personal information about you, and consenting to relevant information being shared with other key stakeholders, including your employer, for the purposes of the Voluntary Bonding Scheme. This information will be stored and used by the Ministry for purposes associated with the Scheme, in accordance with the provisions of the Privacy Act 1993.
- 6.3 The information will be kept confidential and will not be disclosed to any person except in connection with the purposes for which it is obtained, or by operation of law.
- 6.4 You have the right to contact the Ministry to request access to and correction of any personal information held about you.
- 6.5 We suggest you print a copy of these Terms and Conditions for your records.