



NEW ZEALAND

Voluntary Bonding Scheme Terms and Conditions for Doctors 2016

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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 medical graduates to work in hard-to-staff communities and/or hard-to-staff specialties for three to five years after graduation.
- 1.2 Graduates who are part of the Scheme are eligible for their first incentive payment after they have completed three years in their specified hard-to-staff specialty or community. Funding is intended to help graduates repay student loans (if they have them) or provide cash payments to top up income if their student loan balance is zero.
- 1.3 To be eligible for the Scheme, you must:
- be a New Zealand citizen or permanent resident at the time you make an application for payment;
 - have completed your final year of study in 2015 (unless you are undertaking General Practice Vocational Training (clause 4.11 to 4.13)) for your base qualification for your profession at an accredited New Zealand Training Institution (clauses 1.10 to 1.12);
 - be registered, or be eligible to be registered with the Medical Council of New Zealand;
 - be working, or intending to work, in the profession for which you have trained, for three to five years;
 - be working, or intending to work, in a hard-to-staff community or specialty as per the eligibility criteria for Medicine (clauses 4.8, 4.9 and 4.13); and
 - comply with all other terms and conditions of the Scheme.
- 1.4 Participation on 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 have had your place on the Scheme confirmed and have met 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 address, email address or other contact details on an annual basis.
- 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.

Education Prerequisites

- 1.10 You must:
- have completed the requirements of a training programme for Medicine in 2015 from an accredited New Zealand tertiary institution (unless you are entering the Scheme under the Postgraduate Entry Opportunity for General Practice Vocational Training)
 - 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 2015 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 the confirmation of your place on the Scheme.

Definition of a Graduate

- 1.13 Eligible graduates are those who completed their studies in 2015 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 (subject to approval of your application).
- 2.2 To register your interest you must complete the online Registration of Interest application 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, usually taking place between February and March each year. You are responsible for ensuring that you register during this period. Entries outside this period will not be considered.
- 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 (following consideration of your Registration of Interest) to formally confirm you on the Scheme will follow your Registration of Interest. You will be advised in writing whether your place on the Scheme is 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:

- Opportunity (1) - New graduate doctors (see clauses 4.3 to 4.10)
- Opportunity (2) - Postgraduate Entry Opportunity for General Practice Vocational Training (see clauses 4.11 to 4.13)

New Graduate Doctor Entry Opportunity (1)

4.3 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 4.8) for at least two and no more than three years AND
- then be accepted into a vocational training programme for one of the hard-to-staff specialties for doctors (clause 4.9) for the remainder of the three to five year bonding period.

4.4 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.

4.5 You may have up to three years to complete the two year requirement in a hard-to-staff community. However, no more than two of those three years in a hard-to-staff community will count towards your 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. You must have entered your vocational training programme for a hard-to-staff specialty by **1 July 2020**.

4.6 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.

4.7 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.

4.8 The **2016 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

4.9 The **2016 hard-to-staff specialties** are:

- Clinical Genetics
- Dermatology (public sector only)
- General Practice
- Internal Medicine
- Psychiatry
- Pathology
- Rural Hospital Medicine

4.10 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.

Postgraduate Entry Opportunity for General Practice Vocational Training (2)

4.11 Medical graduates from Postgraduate Year PGY3 to PGY6 who choose to undertake general practice (GP) training for three years in a hard-to-staff community, are eligible to enter the Scheme. This is irrespective of where you worked in New Zealand during PGY1 and PGY2. GP trainees that commenced GP vocational training in December 2015 will be eligible to apply for the Scheme during the Registration of Interest process in 2016.

4.12 Where communities are defined by reference to a DHB, the area is that specified for the DHB under the New Zealand Public Health and Disability Act 2000.

4.13 **Hard-to-staff training communities in 2016 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 You must commence working in one of the hard-to-staff specialties or hard-to-staff communities listed in clauses 4.8, 4.9 and 4.13. If you wish to change either your specialty or the community you are working in you may do so only in accordance with clauses 4.23 to 4.25.

Commencement Date for All Participants

4.15 Your time on the Scheme is calculated from the Commencement Date of employment.

4.16 If you were already working in a hard-to-staff community or specialty on or before 1 January 2016, your Commencement Date is **1 January 2016**. Time employed in an eligible position prior to this date does not contribute towards the bonding period.

4.17 If you began (or begin) working in a hard-to-staff community or specialty, after 1 January 2016, your Commencement Date is the date on which your employment began.

- 4.18 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.
- 4.19 If you have not commenced employment in accordance with these requirements by **30 June 2017**, your confirmation on the Scheme will lapse and you will not be eligible for the Scheme in any later year. If you have registered for the postgraduate entry opportunity for GPs, employment must have commenced by **December 2015**.

Minimum Employment Requirements

- 4.20 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).
- 4.21 You will not be eligible for payment from the Scheme if you undertake substantive or continuous locum work (clauses 4.32 to 4.35).
- 4.22 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

- 4.23 New graduate doctors may move between hard-to-staff specialties and hard-to-staff communities listed in clauses 4.8 and 4.9 OR listed in any Terms and Conditions for doctors after 2016.
- 4.24 You cannot move to a hard-to-staff specialty and/or community that is listed in any Voluntary Bonding Scheme Terms and Conditions before 2016.
- 4.25 Postgraduate doctors in GP vocational training may move between communities listed in clause 4.13 OR listed in Voluntary Bonding Scheme Terms and Conditions for postgraduate doctors in GP vocational training after 2016.

Breaks and Pauses in the Term of Service

- 4.26 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”.
- 4.27 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 during the course of any one year. No more than 50 weeks in total can be added to the five-year bonding term.

Note: 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.

- 4.28 Breaks and pauses include any leave from your employment, with or without pay, including normal employment leave entitlements, such as annual leave and sick leave.

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, 4.9 and 4.13.
- 4.31 Time spent on parental leave is separate to the break and pause provisions (clauses 4.26 to 4.28).

Working as a Medical Locum

- 4.32 If you undertake substantive or continuous locum work you will not be eligible for payment from the Scheme.
- 4.33 The Ministry defines “substantive” locum work as being a period of six weeks or more, but does not include:
- undertaking additional duties for your employer
 - undertaking locum work as a necessary part of a medical vocational training programme for a hard-to-staff specialty.
- 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 during normal working hours.
- 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.

Exceptions

- 4.36 If there is a change in your circumstances that results in an inability to continue to meet the 2016 Terms and Conditions, you may request an exemption for a specified period. Please refer to clause 7.

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 4.19). Note: doctors that enter the Scheme through the postgraduate entry option for general practitioners in vocational training are only eligible for the first payment.
- 5.2 If you stay on the Scheme for a fourth and fifth year, you are responsible for initiating the second and third claims for payment.
- 5.3 You must apply for payment within nine months of becoming eligible.

- 5.4 You will only be eligible for payments if:
- you have been employed for three full years in accordance with these Terms and Conditions
 - you have met the minimum full time equivalent (FTE) employment requirements (clauses 4.20 to 4.22)
 - you have complied with the rules governing breaks and pauses (clauses 4.26 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 application for payment. Application for payment forms will be available on the Ministry of Health website early January 2019.
- 5.7 If you have a student loan, the full Scheme payment will be made against your student loan. If the balance of your student loan is less than the Scheme payment, 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 Scheme payment 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.
- 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. 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.

7. Review in Special Circumstances

- 7.1 If your circumstances change, and the break or parental leave clauses do not apply, you may apply for a review by the Review Panel
- 7.2 Applications to the Review Panel must be made to vbs@moh.govt.nz and in accordance with its procedures.