Transitional PHO Agreement
Amendment Protocol
PHO Agreement
Referenced Document
Version 1.3
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A.1 Role and Membership of the PHO Agreement Amendment Protocol Group

A.1.1 A PHO Agreement Amendment Protocol Group is established to consider and make decisions and/or recommendations on:

(a) proposals to vary or add a Referenced Document (including this Referenced Document)

(b) variations to Parts A to I of the Standard PHO Agreement (either referred to as a “Proposal”).

A.1.2 The PHO Agreement Amendment Protocol Group will comprise:

(a) each PHO’s appointed agent (provided that more than one PHO may appoint the same agent)

(b) each DHB’s appointed agent (provided that more than one DHB may appoint the same agent) and the mandated representative of Te Tumu Whakarae, which is comprised of the 21 DHB Māori General Managers

(c) a representative appointed by the Ministry of Health

(d) an agent appointed by each organisation or group that notifies the Ministry of Health in writing that it is engaged in discussions with its local DHB to provide services as a PHO within the following six months (provided that more than one of these groups may appoint the same agent). The appointment of any such group’s agent is subject to verification by the relevant DHB that it is in discussion with the group with a view to that group’s commencing as a PHO within the following six months; and

(e) The nominated representative of the PHO Maori reference group.
A.2 Appointing Your Agent

A.2.1 You may appoint one representative or agent to represent you on the PHO Agreement Amendment Protocol Group, by written notice to the Chairperson.

A.2.2 You may change your representative or agent at any time by written notice to us and (once appointed) the Chairperson.

A.2.3 You will meet your own costs in relation to any Proposal and your participation in any proceedings of the PHO Agreement Amendment Protocol Group.
A.3 Chairperson of the PHO Agreement Amendment Protocol Group

A.3.1 A Ministry of Health’s representative will be the first chairperson of the PHO Agreement Amendment Protocol Group (the Chairperson).

A.3.2 At the first meeting of the PHO Agreement Amendment Protocol Group the members will confirm the Chairperson or elect one of their number as Chairperson.

A.3.3 The Chairperson holds that office until:
   (a) she or he vacates office
   (b) the members of the PHO Agreement Amendment Protocol Group elect a Chairperson in his or her place
   (c) the members of the PHO Agreement Amendment Protocol Group remove him or her from office.
A.4 Meetings and Secretariat for the PHO Agreement Amendment Protocol Group

A.4.1 The PHO Agreement Amendment Protocol Group will meet initially in early August 2003 and then as and when required on such day and time as the Ministry of Health notifies in writing to each member of PHO Agreement Amendment Protocol Group.

A.4.2 Additional meetings of the PHO Agreement Amendment Protocol Group or other processes to progress the business of the PHO Agreement Amendment Protocol Group may be agreed to by a majority of PHO Agreement Amendment Protocol Group members at any meeting of the PHO Agreement Amendment Protocol Group.

A.4.3 The PHO Agreement Amendment Protocol Group may resolve (by a majority of PHO Agreement Amendment Protocol Group members) to invite additional persons (including specialist advisors and stakeholder representatives) to participate in and contribute to discussion at its meetings as it considers appropriate Proposals. Such additional participants may not vote on any matter.

A.4.4 Not less than ten (10) Business Days notice of a meeting or a series of meetings of the PHO Agreement Amendment Protocol Group must be given to every member of the PHO Agreement Amendment Protocol Group, provided that a shorter notice period may be given with the agreement of the majority of the members of the PHO Agreement Amendment Protocol Group.

A.4.5 Notice for a meeting of the PHO Agreement Amendment Protocol Group will include the date, time and place for the meeting and a list of the matters to be discussed, together with any Proposal(s) referred to PHO Agreement Amendment Protocol Group in accordance with clause A.6.1.

A.4.6 A meeting of the PHO Agreement Amendment Protocol Group may be held either:

(a) by a number of its members who constitute a quorum, being assembled together at the place, date and time appointed for the meeting

(b) by means of audio and/or audio-visual communication by which all members participating and constituting a quorum can simultaneously hear each other throughout the meeting.

A.4.7 A quorum for a meeting of the PHO Agreement Amendment Protocol Group is:

(a) a majority of the PHO representatives including those defined by clause A 1.2(d)

(b) a majority of the DHB representatives

(c) one Ministry of Health representative.
A.4.8 No decision of a meeting of the PHO Agreement Amendment Protocol Group is effective if a quorum is not present.
A.5 Secretariat Services

A.5.1 The Ministry of Health will provide secretariat and administrative services to support the functions of the PHO Agreement Amendment Protocol Group in accordance with the instructions of the Chairperson, including ensuring that minutes are kept of all proceedings at meetings of the PHO Agreement Amendment Protocol Group.
A.6 Referring Matters to the PHO Agreement Amendment Protocol Group

A.6.1 The following may refer a Proposal to the PHO Agreement Amendment Protocol Group:
(a) either of us (including agents on our or your behalf)
(b) the Ministry of Health
(c) other organisations (or their agents) described in clause A.1.2(d) above.

A.6.2 Referrals to the PHO Agreement Amendment Protocol Group will be addressed to the Chairperson and include:
(a) the purpose and rational for the Proposal
(b) the proposed draft of the variation or new Referenced Document or other matter.

A.6.3 Proposals for consideration at the next meeting of the PHO Agreement Amendment Protocol Group must be received by the Chairperson at least ten (10) Business Days prior to the next scheduled meeting.
A.7 Decision-making Process

A.7.1 The PHO Agreement Amendment Protocol Group will consider and endeavour to reach a unanimous decision in relation to any Proposal.

A.7.2 The PHO Agreement Amendment Protocol Group may appoint a subcommittee of its members to consider any matter and report back to the PHO Agreement Amendment Protocol Group.

A.7.3 A decision of the PHO Agreement Amendment Protocol Group signed by:

(a) DHB representatives representing at least 75 percent of DHBs inclusive of the Te Tumu Whakarae representative
(b) the Ministry of Health’s representative
(c) at least 75 percent of the PHOs, including those defined by clause A.1.2(d)
(d) PHOs who represent at least 75 percent of all enrolled patients in PHOs and
(e) The nominated representative of the PHO Maori reference group; will be binding upon us both and the Referenced Document will be varied or added accordingly.

A.7.4 Subject to clause A.7.6, where the PHO Agreement Amendment Protocol Group is unable to reach a binding decision in relation to a Proposal:

(a) The Chairperson will submit the PHO Agreement Amendment Protocol Group’s recommendation on the Proposal to the Director General of Health, which will:

(i) describe the majority decision of the PHO and DHB members of the PHO Agreement Amendment Protocol Group
(ii) describe the make up of the PHOs supporting the majority decision (by the number of PHOs represented in the majority decision and the Enrolled Population those PHOs represent)
(iii) describe the minority view(s) of the remaining PHO and DHB members of the PHO Agreement Amendment Protocol Group
(iv) describe the Ministry of Health’s agents’ and our Payment Agent’s view(s) on the Proposal
(v) set out the key issues and implications discussed in relation to the Proposal, and in particular the points upon which and the reasons why a unanimous decision could not be reached
(vi) include the minutes of all meetings of the PHO Agreement Amendment Protocol Group in relation to the Proposal.

(b) The Director General of Health will consider that recommendation and make a determination on the Proposal, in which case the Director
General’s decision will be binding upon us both and the Referenced Document will be varied or added accordingly.

A.7.5 Where a Referenced Document is varied or added in accordance with clauses A.7.3 or A.7.4 the Ministry of Health will:

(a) issue to all PHOs and DHBs, a notice containing:
   (i) the varied or new Referenced Document
   (ii) the date upon which the varied or new Referenced Document comes into effect, will be the date agreed by the PHO Agreement Amendment Protocol Group in accordance with clause A.7.3, or failing such agreement, at least three (3) months after the date of the Ministry of Health’s notice under this clause

(b) issue a public notice via the Ministry of Health’s website, notifying stakeholders and other interested parties of the matters referred to in clause A.7.5(a).

A.7.6 During the transition period to 31 December 2003, where the PHO Agreement Amendment Protocol Group is unable to reach a binding decision on any Proposal to amend Parts A to I of the PHO Agreement or to amend any of the 11 key issues in the Referenced Documents as described in the Appendix to this Referenced Document, then the provisions of clause A.7.4 will not apply.
A.8 Definitions and Construction

A.8.1 In this Referenced Document, unless the context requires otherwise, capitalised words have the meanings given to them in the current standard PHO Agreement.

A.8.2 The following capitalised words are unique to this Referenced Document and have the following meanings:

(a) PHO Agreement Amendment Protocol Group is the group established pursuant to clause A.1 of this Referenced Document.
# Appendix: Referenced Document Issues to be Resolved

## Establishment enrolment requirements for primary health organisations

<table>
<thead>
<tr>
<th>Issue to be resolved</th>
<th>Comment</th>
<th>Proposal for discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 1. Active enrolment: Individuals enrolled with a provider in a PHO who seek services from another provider who is a member of the PHO will be considered enrolled (in terms of funding)</td>
<td>Current MoH enrolment form does not allow for sharing of information across the sector. Also PMS support to implement this policy is not yet available</td>
<td>Transition rule – individuals enrolled with a provider in a PHO who seek services from another provider who is a member of the PHO will be treated as casuals</td>
</tr>
<tr>
<td>2. 4. Enrolment process: Initially people who are already on a PHO provider register will be considered to be enrolled</td>
<td>Current PCO registration rules do not require a need to identify date of registration – but this is required for PHO registration</td>
<td>Transition rule – the date of registration is 1 July 2002 or the actual date of registration, whichever is the latest</td>
</tr>
<tr>
<td>3. 4. Enrolment process: New enrollees – indicates to a provider that they intend to use that provider or PHO as their usual provider of services</td>
<td>Need greater clarity and discussion about where the enrolment sits with the PHO or the Provider</td>
<td>Transition rule – enrolment is with either a provider or practice rather than the PHO</td>
</tr>
<tr>
<td>4.</td>
<td>Place of enrolment is extremely permissive, effectively allowing enrolment in supermarket carparks.</td>
<td>Transition rule – enrolment can only occur in a place where services are typically delivered to the patient (eg, surgery, home, rest-home)</td>
</tr>
<tr>
<td>5. 7. Dis-enrolment</td>
<td>MoH notifies the PHO that the patient is no longer enrolled</td>
<td>Transition rule – providers will have appeal rights to challenge alleged movement of a patient to another provider – and on provision of evidence that the patient considers themselves to be registered/enrolled with the provider, the provider will be able to invoice for lost capitation revenues</td>
</tr>
<tr>
<td>6. 8. Termination of enrolment</td>
<td>The PHO can only terminate enrolment where there is genuine concern that the relationship between the patient and the provider is severely compromised</td>
<td>Transition rule: Where a patient accesses the majority of their medical services from other primary care providers, the provider will be deemed to have adequate grounds to terminate that patient’s enrolment, following the standard processes outlined in the “Establishment Enrolment Requirements for Primary Health Organisations”</td>
</tr>
<tr>
<td>7. 13. Provider change of affiliation: When a provider leaves a PHO, patients must be informed of the implications of this change so they can make an informed decision about their continued care</td>
<td>Issues around whether the enrolment sits with the Provider or the PHO</td>
<td>No action required if the above relevant rule is accepted.</td>
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## Overview of capitation-based funding – user information guide

<table>
<thead>
<tr>
<th>Issue to be resolved</th>
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</tr>
</thead>
<tbody>
<tr>
<td>8. Page 3 – Third paragraph</td>
<td>HealthPAC will verify the PHO information</td>
<td>Transition rule – HealthPAC cannot make any deductions for incomplete submission of a register until they have a clear process for verification of receipt of a register</td>
</tr>
<tr>
<td>9. Page 19 – Adjustments</td>
<td>Not clear whether the 10 percent deduction is for the entire PHO register or that bit of it with missing data Not clear what would allow the stepwise increase in the deduction</td>
<td>Transition rule – the 'late register' penalty is deemed to apply only to that proportion of the register which was not submitted on time, and can only be applied where HealthPAC has advised the PHO that their register differs from that previously submitted by more than 5 percent</td>
</tr>
<tr>
<td>10. Page 19 – Calculating payment</td>
<td>The DHB can order that a payment be held back</td>
<td>Transition rule – No DHB can require a payment to be withheld unless such a requirement is consistent with the terms of the PHO Agreement</td>
</tr>
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## Overview of business rules – capitation-based funding version 3.3.2

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<tr>
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<tr>
<td>11. Clause 2.1.1 – a practice or practitioner cannot be added to a register during a capitation quarter</td>
<td>Is this going to place unnecessary or unreasonable constraints of GPs abilities to join and leave practices except at four times per year?</td>
<td>Transition rule – if a practice or practitioner joins a PHO during any quarter, GMS and PNS will be funded under the terms of Section 88, or whatever funding mechanism applies to that practice in the period immediately prior to their joining the PHO</td>
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