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# REGULARISATION HCHA UPDATE 24 FEB 2017

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# There are 5 categories of implementation funding

## 1. Attendance at employee workshops

- \$75 per eligible employee

## 2. Cancelled visits

- Paid on actuals – 48 hours notice period and specified reasons

## 3. Ongoing reduction in hours

- Paid on actuals – 3 weeks funding to support providers to consult with staff and give notice for ongoing reduction in hours

## 4. “Top up” costs for unfilled guaranteed hours

- To support providers as they transition the workforce to guaranteed hours

## 5. System change costs

- Contribution for one-off system and change costs



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## Funding (as at 20.2.17) (DHB/MoH)

- ✓ \$75 per qualifying employee (unclear)
- ✓ One off Implementation funding 1 April-30 June (total \$1m)
- ✓ Implementation funding proportionate per provider in quarterly payments over quarters dropping down to \$0 end June 2018 (inc disadvantage funding. Total 8.3m)



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## Funding

- ✓ Claiming for client cancellations with under 48 hours notice - \$19.61 rate, all reasons identified in pilot
- ✓ \$ Claiming for travel time (\*) on client cancellations
- ✓ \$ Claiming for payment of guaranteed hours as a result of reduction of hours one weeks consultation + two weeks notice (possibly \$19.61 yet to be advised)
- ✓ No disadvantage clause, actual and reasonable costs (total approx \$1.5m)



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## Reasons for cancellation

- Client in respite
- Client death
- Extreme weather
- Client moves away
- Client requests change of provider or support worker
- Client in hospital
- Client requests change (day/time)
- Client entitlement ceases
- Client complexity changes

# Un-replaced cancelled visits (from MoH presentation)



- Providers will claim for actual cancellations through the IBT system.
- Actuals are based on the following conditions:
  - 48 hours notice period
  - Reasons as outlined in Operational Policy Document.
- Some minor changes are required to the IBT system.
- The Ministry will work with a technical reference group to design the changes.
- The Ministry's technical team is available to support changes required.
- The process to claim will be provided in a future newsletter in March.

## Consultation and notice period for ongoing reduction in hours (from MoH presentation)



- 3 week consultation/notice period funded when an ongoing reduction in guaranteed hours arises (i.e an inability to replace hours . for example a hospitalised client).
- Providers will claim for actual consultation and notice periods through the IBT system.
- Actuals are to be based on the conditions set by the Ministry in Operational Policy Document.
- The Operational Policy Document will be published on the Ministry's website in early March.



## “Top up” costs for unfilled guaranteed hours (from MoH presentation)

- e.g. unfilled hours due to excess staff capacity
- A fixed quarterly payment will be made directly to providers





## One-off system and change costs (from MoH presentation)

- One-off payment.
- Paid direct from Ministry to providers.



## No disadvantage clause commitment in 2nd Variation of IBT Settlement (from MoH presentation)

- In recognition that costs to implement guaranteed hours will be funded on a combination of actuals and estimates, the arrangements will be reviewed in October 2017.
- The Ministry is developing the Terms of Reference for the review.
- Providers can submit claims under the no disadvantage clause based evidence of actual and reasonable increases in costs.



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## Training and pay

The costs with training and pay to reflect training are factored into pending Pay Equity Settlement. If that fails, funding will be sought from 1 July 2017.



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## **Not included**

**Rest Breaks**

**Coordination and administration costs**

**Provider margin**

**Overheads on cancelled visits and reduction of hours**

**Sector sustainability**



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# Compliance

Operational Policy Guidance requiring implementation  
by providers, principles

Operational policy framework for funders (\*)



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## Monitoring/review

Review completed by October 2017

July-Sept providers collect and submit data monthly:  
possible: employment type, g-hours, changes to g-  
hours, average base wage rate, payroll extracts,  
monthly revenue, claims for reduction in hours,  
commentary on reasons, unreplaced cancelled shifts,  
commentary on efforts to minimise unfilled g-hours



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## Models of care

Work has started by MoH to look at models of care, planned completion, report to Cabinet by August 2017.



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**Other**

ACC

Pay Equity





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## Many questions

How to calculate hours (leave, travel etc)

Calculation of travel time (inc. exceptional)

Training 1 April – 30 June 2017

Ongoing funding post 1 July 2018



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## Help

What other help can we get?

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