

Table of Changes from v1 to v2 of New Long Form Agreement – November 2025

Clause Number*	Current Clause- ALM Long Form May 2025	Confirmed Change – ALM Long Form November 2025	Why
B9	PRICE REVIEW	PRICE REVIEW	Helps avoid delays and makes price increases easier for both parties. The process is transparent and gives providers clear options to respond or propose alternatives, supporting collaborative discussion.
B9.1	Health NZ reserves the right to review prices under the Agreement at its sole discretion.	Health NZ may undertake a review of prices under this Agreement and reserves the right to increase prices at its sole discretion following any such review.	The change provides greater clarity and structure by introducing a price review process that permits Health NZ the discretion to increase prices. This ensures transparency, aligns with common commercial practice, and helps manage cost fluctuations over time.
B9.2	If Health NZ provides a price increase under the Agreement, Health NZ will give prior Notice to the Provider of the price increase including confirmation of the current price that is being increased. Health NZ may also require the Provider to pass on a certain percentage of the price increase to the Provider's employees.	If Health NZ provides a price increase under the Agreement, Health NZ will give prior Notice to the Provider of the price increase including confirmation of the current price that is being increased.	The change simplifies the clause and reduces administrative and compliance obligations. This makes the provision clearer, less prescriptive, and focuses solely on notifying the Provider of the price increase.
B9.5-9.6	If in Health NZ's reasonable opinion, the Provider has failed to meet the agreed Service delivery requirements at any time...	Proposed removal of B9.5 to 9.6 and amending B6.2 with:  Health NZ may decrease the total price of the Agreement and any payments or portions of payments to the Provider to account for Service delivery failure, where:  a) Health NZ considers, based on reasonable grounds, that the Provider has failed to meet one or more of its obligations under the Agreement (including providing less than the agreed level or capacity, and/or not meeting reporting requirements), and	The change consolidates the previous provisions into a single, clearer clause while retaining the key procedural safeguards (notice, consultation, and rectification period) for any justified price decrease.  It further broadens the scope to cover failures beyond service delivery and provides Health NZ with a more streamlined and flexible mechanism to adjust payments for non-performance.

Table of Changes from v1 to v2 of New Long Form Agreement – November 2025

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		<ul style="list-style-type: none"> <li>i. Health NZ has provided Notice to the Provider to rectify the issue,</li> <li>ii. Health NZ has Consulted the Provider about the issue, and</li> <li>iii. the Provider has failed to return the delivery of the Services to the required level or capacity within 10 Business Days (or such period as otherwise agreed between the Parties) from the date of such Notice, or</li> </ul> <ul style="list-style-type: none"> <li>b) the Provider is found to be in breach of the Agreement at the end of an Audit, or</li> <li>c) the Provider’s subcontractors do not allow Health NZ access in breach of clause B15.2(a).</li> </ul>	
B9.7	If there is a price increase or decrease under this clause B9 (Price Review), it will take effect from the date specified by Health NZ without the need to vary this Agreement in terms of clause 30.1.	If there is a price increase under this clause B9 (Price Review), it will take effect from the date specified by Health NZ following the applicable price review, without the need to vary this Agreement in terms of clause B30.1.	Removes confusion by removing reference to price decreases as section B9 now provides a mechanism for price increases only.
B15.6	Health NZ may inspect the Provider’s accounting system or Record of the Provider’s costs of providing the Services. The purpose of the inspection of the Provider’s accounting system or Record of costs of providing the Services is to enable Health NZ to support the Provider better and mitigate any risks to the delivery of the Services.	Health NZ may inspect the Provider’s accounting system or Record of costs related to the delivery of Services, but only for the purpose of supporting the Provider and mitigating risks to Service delivery. Health NZ will not inspect the Provider’s system for any other purpose.	Improves clarity and enables early intervention to support providers and maintain service delivery. Audits are designed to help identify risks early and support continuity, not add unnecessary compliance burden.
B27.1	If the Provider fails to, or in Health NZ’s reasonable opinion, the Provider is at risk of failing to carry out any of its obligations under the Agreement, Health NZ may carry out those obligations on the Provider’s behalf at the Provider’s expense and risk.	If the Provider fails to meet its obligations under the Agreement, or if Health NZ believes, based on reasonable grounds, that the Provider is at risk of failing, Health NZ may carry out those obligations on the Provider’s behalf. The Provider will bear all associated costs and risks.	Improves clarity and aligns with template style.

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Clause Number*	Current Clause- ALM Long Form May 2025	Confirmed Change – ALM Long Form November 2025	Why
B31.2	If Health NZ terminates this Agreement under this clause, then, subject to all other clauses of this Agreement, Health NZ will pay the Provider for all Services performed up to the Termination Date.	If the Agreement is terminated under this clause, then, subject to all other clauses of this Agreement, Health NZ will pay the Provider for all Services performed up to the Termination Date irrespective of which Party terminates the Agreement.	Supports timely resolution of issues while maintaining fairness by enabling payment for services, even when the Agreement is terminated by the Provider.
C19	<p>The Provider must establish a clinical governance group that reports directly to its Board of Directors (or equivalent) and that:</p> <ul style="list-style-type: none"> <li>a) includes clinical members of your Board of Directors (or equivalent)</li> <li>b) has equitable representation of Māori and includes priority populations</li> <li>c) is based in New Zealand</li> <li>d) includes expertise across all Service components</li> <li>e) ensures the clinical safety of the Services</li> <li>f) monitors service effectiveness, performance and risk</li> <li>g) ensures effective service integration across the Services</li> <li>h) reviews, amends or approves current relevant service guidelines as appropriate</li> <li>i) approves new service guidelines as appropriate</li> <li>j) assesses future service improvements to ensure clinical safety</li> <li>k) manages clinical incidents</li> </ul>	<p>The Provider must establish a clinical governance group that reports directly to its Board of Directors (or equivalent), unless Health NZ agrees otherwise. Where a group is established, its composition and structure must be appropriate to the Provider's type and size, and must:</p> <ul style="list-style-type: none"> <li>a) include clinical members of the Board of Directors (or equivalent) where applicable</li> <li>b) ensure equitable representation of Māori and include priority populations</li> <li>c) be based in New Zealand</li> <li>d) include or have access to expertise across all Service components</li> <li>e) ensure the clinical safety of the Services</li> <li>f) monitor service effectiveness, performance, and risk</li> <li>g) support effective service integration across the Services</li> <li>h) review, amend, or approve current relevant service guidelines as appropriate</li> <li>i) approve new service guidelines as appropriate</li> <li>j) assess future service improvements to ensure clinical safety</li> <li>k) manage clinical incidents</li> </ul>	<p>The change introduces flexibility and proportionality by allowing Health NZ to agree that a clinical governance group is not required in certain cases and by tailoring the group's composition to the Provider's size and type.</p> <p>It also clarifies that expertise can be accessed rather than always included, reducing compliance burden while maintaining core governance and safety requirements.</p>

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	l) is at no additional cost to Health NZ.	l) be established and operate at no additional cost to Health NZ.	

Health NZ also received and considered feedback from providers on the clauses listed in the table below, which were not amended for the reasons provided.

Clause	Provider feedback	Rationale
Subcontracting Obligations	Providers should not be responsible for organisations they subcontract with.	<p>This is an existing requirement under the old agreement template and is needed to continue to protect the quality and safety of services. The new clause is more detailed and operationally prescriptive to strengthen that protection.</p> <p>Health NZ's contract is with the provider and if the provider chooses to subcontract, we need visibility and control over who's delivering the publicly funded services. Not only does it protect service quality/safety, but requiring our consent and keeping the provider responsible gives us a single point of accountability and avoids uncertainty if issues pop up. It's standard practice for publicly funded services.</p>
Health NZ Liability	Providers object to Health NZ limiting its liability for any losses incurred by providers in relation to services delivered by them.	<p>This limitation is consistent with existing requirements under the old agreement template.</p> <p>We fund providers to deliver defined services but we're not responsible for the commercial risks that the providers take on in running their organisations. However, the clause permits us to agree otherwise in appropriate circumstances.</p>
Health & Safety Obligations	Providers believe the new Health & Safety clause places the full responsibility for health	The clause is like the existing clause and enables providers to work with Health NZ on overlapping duties in relation to Person Conducting a Business or Undertaking (PCBU) responsibilities. However, the new clauses

**Table of Changes from v1 to v2 of New Long Form Agreement – November 2025**

	and safety on them (in relation to the services they deliver).	are more detailed and operationally specific, reflecting the updated expectations under the Health and Safety at Work Act 2015. Health NZ continues to be responsible for its own Health & Safety, PCBU obligations.
Intellectual Property (IP)	Providers want recourse if Health NZ breaches the IP terms.	The IP clauses in the new template are included to give HNZ the rights we need to use and own the results of the Services. They don't reduce the provider's protections but clarify IP ownership, licensing and use rights. They also contain the same general remedies available to providers in the old agreement template (eg. dispute resolution, termination for breach) but offer clearer and more enforceable protections for providers regarding IP.
Security Breach Notifications	Providers want the clause modified to give providers a 48-hour notice period rather than 24 hours.	This new clause introduced is required due to the potential impact of breaches on people that use services. In addition, Health NZ has its own obligations in response to compromised data (particularly with personal information). Therefore, this timeframe ensures we can respond to breaches and conduct our own response plan.

Although we welcome further feedback from providers on these clauses we share this information so providers are aware previous feedback has been considered.

\*Note the clause numbers relate to the Long Form Agreement and may be different for other agreement templates