

National Variation 6 to Integrated Community Pharmacy Services Agreement

BETWEEN

Health New Zealand I Te Whatu Ora

NZBN: 9429050678402

AND

[Name]

[NZBN]

[Date] 2024

Contents

National Variation 6 to Integrated Community Pharmacy Services Agreement

A:	Summary	1
	Background	1
	A1 Interpretation	1
	A2 Commencement Date	1
	A3 Signatures	2
B:	Changes to the Agreement	3
	B1 Changes to the Handling Fee	3
	B2 Changes to the Case Mix and LTC Case Mix initial base service fee	3
	B3 Changes to the Case Mix and LTC Case Mix repeat base service fee	4
	B4 Changes to the Per Pack Fee	4
	B5 Changes to the fee for Extemporaneously Compounded Preparations Service	5
	B6 Changes to Schedule 2 (Additional Professional Advisory Services)	5
	B7 Changes to Schedule 3A.5 (Immunisation Services)	5

A: SUMMARY

Background

- A. On or after 1 October 2018, a former District Health Board (now Health New Zealand I Te Whatu Ora) ("**Health NZ**") and the Provider entered into the Integrated Community Pharmacy Services Agreement ("**Agreement**").
- B. The parties have agreed to vary the agreement five times, with the latest national voluntary variation coming into effect on 1 December 2023. A Compulsory Variation was made to the Agreement on 1 July 2024 to give effect to the reinstatement of the standard \$5 prescription co-payment for Service Users from that date.
 - (a) In accordance with clause B.23 of the Agreement, the parties participated in the National Annual Agreement Review of the nationally consistent Parts and Service Schedules of the Agreement.
 - (b) The Provider and Health NZ agree to amend the Agreement as set out in this national variation 6 ("**Variation**").

A1 Interpretation

- A1.1 In this Variation, unless the context requires otherwise:
 - (a) words and expressions not otherwise defined in this Variation have the meaning given to them in the Agreement; and
 - (b) references to clauses and schedules are the clauses and schedules of the Agreement.

A2 Commencement Date

- A2.1 The entire Variation will apply with effect on and from 1 July 2024.
- A2.2 If Te Whatu Ora does not receive this Variation signed by the Provider by 5 pm on 28 November 2024, but receives it: (a) before 5 pm on the 13th day of the last month of any quarter, all of the clauses in Part B of this Variation will take effect on the first day of the next quarter, except clauses B1.2, B2.2, B3.2, B4.2, B5.2, and B6.2-B6.3; or (b) after 5 pm on the 13th day of the last month of any quarter, all of the clauses in Part B of this Variation will take effect on the first day of the quarter immediately following the next quarter except clauses B1.2, B2.2, B3.2, B4.2, B5.2, and B6.2-B6.3.

A3 Signatures

For **Health New Zealand I Te Whatu Ora:**

For «**Provider_name_**» «**Trading_As**»:

(signature)

(signature)

Name

Name

Position

Position

Date

Date

Witnessed by:

Witnessed by:

(signature)

(signature)

Name

Name

Occupation

Occupation

Residence

Residence

Date

Date

B: CHANGES TO THE AGREEMENT

B1 Changes to the Handling Fee

B1.1 The follow clauses are amended by replacing the specified Handling Fee (HF) of "\$1.13" with "\$1.20":

- (a) clauses 16.2, 30.2, 31.2, and 32.2 of Schedule 1 (Dispensing and Professional Advisory Services);
- (b) clause 12.2 of Schedule 3A.1 (Opioid Substitution Treatment Services);
- (c) clause 9.2 of Schedule 3A.2 (Aseptic Services);
- (d) clause 9.2 of Schedule 3A.3 (Sterile Manufacturing Services);
- (e) clause 10.2 of Schedule 3A.4 (Clozapine Services (Monitored Therapy Medicine Services));
- (f) clause 12.2 of Schedule 3B.1 (Long-term Conditions Services);
- (g) clause 9.2 of Schedule 3B.2 (Community Residential Care Pharmacy Services);
- (h) clause 9.2 of Schedule 3B.3 (Age-related Residential Care Pharmacy Services); and
- (i) clause 7.2 of Schedule 3B.4 (Special Foods Services).

B1.2 For July to November 2024, Health NZ will, despite anything else in this Agreement, pay the Provider an amount to reflect the increase in the Handling Fee, as set out in this clause B1.1, no later than 30 April 2025. Specifically, Health NZ will pay the Provider the difference between:

- (a) the amount that would have been paid to the Provider by Health NZ in respect of the Handling Fee for the period 1 July to 30 November 2024, if the increased Handling Fee specified above had been paid for that period;
and
- (b) the actual amount paid to the Provider by Health NZ as Handling Fees for July to November 2024.

B2 Changes to the Case Mix and LTC Case Mix initial base service fee

B2.1 The following clauses are amended by replacing the initial base service fee (ISF) of "\$5.03" with "\$5.30":

- (a) clauses 18.1 and 27.5 of Schedule 1 (Dispensing and Professional Advisory Services);
and
- (b) clauses 15.1 and 24.5 of Schedule 3B.1 (Long-term Conditions Services).

B2.2 The parties agree that, despite anything else in this Agreement:

- (a) the Advanced Case Mix Service Fee payments (and equivalent LTC payments) paid to the Provider for July to November 2024 were calculated on the basis that the ISF was \$5.03; and
- (b) the increase in the ISF to \$5.30 will be reflected in the stage two recalculation of those payments (the Interim Case Mix Service Fee payment), which will be paid in accordance with the Agreement.

B3 Changes to Case Mix and LTC Case Mix repeat base service fee

B3.1 The following clauses are amended by replacing the repeat base service fee (RSF) of "\$3.27" with "\$3.45":

- (a) clauses 19.1 of Schedule 1 (Dispensing and Professional Advisory Services); and
- (b) clauses 16.1 of Schedule 3B.1 (Long-term Conditions Services).

B3.2 The parties agree that, despite anything else in this Agreement:

- (a) the Advanced Repeat Case Mix Service Fee payments (and equivalent LTC payments) paid to the Provider for July to November 2024 were calculated on the basis that the RSF was \$3.27; and
- (b) the increase in the RSF to \$3.45 will be reflected in the stage two recalculation of those payments (the Interim Case Mix Service Fee payment), which will be paid in accordance with the Agreement.

B4 Changes to the Per Pack Fee

B4.1 Clause E.1 is amended by:

- (a) Replacing the definition of "Per Pack Fee" with the following:

***Per Pack Fee** means an amount paid by Health NZ as an additional margin payment towards the procurement and stockholding costs for a subsidised pack of a Pharmaceutical as listed in the Pharmaceutical Schedule, being:*

- (i) \$0.28; except that
- (ii) if less than a full pack of the relevant Pharmaceutical as listed in the Pharmaceutical Schedule is Dispensed, the Per Pack Fee will be paid on a pro-rated basis."

B4.2 For July to November 2024, Health NZ will, despite anything else in this Agreement, pay the Provider an amount to reflect the increase in the Per Pack Fee as set out in this clause B4 no later than 30 April 2025. Specifically, Health NZ will pay the Provider the difference between:

- (a) the amount that would have been paid to the Provider by Health NZ in respect of the Per Pack Fee for the period 1 July to 30 November 2024, if the increased Fee specified above had been paid from 1 July 2024;

and

- (b) the actual amount paid to the Provider by Health NZ in respect of the Per Pack Fee for July to November 2024.

B5 Changes to the fee for Extemporaneously Compounded Preparations Service

B5.1 The following clauses are amended by replacing the Handling Fee Multiplier for the Extemporaneously Compounded Preparations Service of "7.95" with "11.40":

- (a) clauses 30.2 and 32.2 of Schedule 1 (Dispensing and Professional Advisory Services).

B5.2 For July to November 2024, Health NZ will, despite anything else in this Agreement, pay the Provider an amount to reflect the increase in the Handling Fee Multiplier for Extemporaneously Compounded Preparations Service as set out in this clause B5 no later than 30 April 2025. Specifically, Health NZ will pay the Provider the difference between:

- (a) the Handling Fee Multiplier for Extemporaneously Compounded Preparations Service paid to the Provider for July to November 2024, if the increased Fee specified above had been paid from 1 July 2024; and
- (b) the actual amount paid to the Provider by Health NZ in respect of the Handling Fee Multiplier for Extemporaneously Compounded Preparations Service.

B6 Changes to Schedule 2 (Additional Professional Advisory Services)

B6.1 Clause 3.2 is amended by replacing "\$12,150,000" with "\$8,633,000".

B6.2 The parties acknowledge that the Additional Professional Advisory Services (APAS) Payment paid to the Provider in July to November 2024 was calculated on the basis that the Payment Pool for the relevant Quarter was \$12,150,000, rather than the new Payment Pool of \$8,633,000 for each Quarter. Accordingly, Health NZ will calculate the difference between:

- (a) the APAS Payments actually paid to the Provider in July to November 2024; and
- (b) the APAS Payment payable to the Provider, on the basis of the Payment Pool for each Quarter being \$8,633,000.

B6.3 This Variation provides for a redistribution of funding currently paid as part of the APAS Payment Pool to other fees. The reversal payment will be larger than the new payment for all pharmacies. The parties agree that, despite anything else in this Agreement, Health NZ will set-off the amount calculated under clause B6.2 above against any other amounts owed by Health NZ to the Provider, in April 2025, in accordance with clause D.43 of the Agreement.

B7 Changes to Schedule 3A.5 (Immunisation Services)

B7.1 Clause 7.2 is amended by replacing it with the following:

"The Immunisation Services Fee is the purchase cost (if any) (inclusive of GST) of the Vaccine administered to an Eligible Service User, and one of the following:

- (a) *\$36.05 (GST exclusive) for administering Influenza Vaccine to an Eligible Service User, unless a Vaccine has already been administered to that Eligible Service User on the same day; or*
- (b) *\$41.20 (GST exclusive) for administering a Vaccine to an Eligible Service User, excluding the influenza vaccine and the zoster (shingles) vaccine and the influenza vaccine co-administered, unless a Vaccine has already been administered to that Eligible Service User on the same day; or*
- (c) *if the zoster (shingles) vaccine and the influenza vaccine are administered to an Eligible Service User on the same day (co-administered):*
 - (i) *\$36.05 (GST exclusive) for administering the first Vaccine (the zoster (shingles) vaccine or the influenza vaccine) to that Eligible Service User; and*
 - (ii) *\$20.52 (GST exclusive) for administering the second Vaccine (a zoster (shingles) vaccine or an influenza vaccine) to that Eligible Service User.*

B7.2 Clause 8.2 is replaced with the following:

"Unless clause 7.2(c) applies, the Provider is not entitled to receive more than one Immunisation Services Fee if more than one Vaccine is administered to an Eligible Service User on the same day."

B7.3 Health NZ will, despite anything else in this Agreement, pay the Provider an amount to reflect the changes to the Fees described in clause B7.1 above for the 1 July 2024 to 30 November 2024, as set out in clauses B7.1 and B7.2 above.

B7.4 Health NZ will pay the amount calculated in accordance with clause B7.1 above by no later than 30 April 2025.

B7.5 The amount that Health NZ will pay the Provider is the difference between:

- (a) the amount that would have been paid to the Provider in respect of the Fees specified in clause B7.1 above for the period 1 July 2024 to 30 November 2024, if the increased Fees specified in that clause had been paid from 1 July 2024;
- and
- (b) the actual amount paid to the Provider by Health NZ in respect of those Fees for July to November 2024.