

Frequently Asked Questions on Transfer of Contracts for NGO Health Service Providers

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To assist over the transition period



June 2022

Overview

On 1 July 2022, DHB and certain Ministry of Health contracts will transfer to either Health New Zealand, the Māori Health Authority, or the Ministry for Disabled People.

These FAQs are intended for NGO health service providers that have contracts with DHBs and / or the Ministry of Health, and provides further information on how the change affects their current contracts and what they need to do to prepare for it.



Contents

On 1 July 2022 contracts will be transferring from DHBs and the Ministry of Health to either Health New Zealand, the Māori Health Authority or the Ministry for Disabled People.

Answers to each frequently asked question are grouped into three categories based on which entity holds the contract prior to 1 July 2022.

- 1. Contracts with a DHB**
- 2. Contracts with the Ministry of Health – Disability Support Services (DSS) Directorate**
- 3. Contracts with the Ministry of Health**

Answers may vary depending on the entity you currently hold a contract with.

1	General
2	Invoicing and billing
3	Variations and uplifts
4	Reporting and performance monitoring
5	Māori Health contracts
6	Disability Support Services contracts
7	COVID related contracts



1. General

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
1.1	<p>What happens to my contract on 1 July?</p>	<p>On 1 July 2022, all DHB contracts will transfer to Health New Zealand and the Māori Health Authority.</p> <p>You will have been contacted in June by the DHBs you currently hold contracts with and be advised which organisation they will transfer to.</p> <p>Contracts transferring to the Māori Health Authority were specified in the second letter to providers distributed in June 2022 (see related 5.4).</p>	<p>Ministry of Health DSS contracts will transfer to the Ministry for Disabled People, and in some instances, Health New Zealand (see related 6.2).</p> <p>If your contract is transferring to the Ministry for Disabled People, you will have been notified by the Disability Directorate in the Ministry of Health in June 2022.</p> <p>If your contract is transferring to the Health New Zealand, you will have been notified by the Ministry of Health in June 2022.</p>	<p>The majority of Ministry of Health contracts (not currently held by the DSS directorate) will transfer to Health New Zealand and the Māori Health Authority.</p> <p>You will have been contacted in June by the Ministry of Health regarding contracts transferring to either new entity.</p> <p>The contracts listed in the Health Sector (Transfers) Act were specified in the second letter to health service providers distributed in June 2022. If the contract number is listed in a Health Sector (Transfers) Act order, it will transfer.</p> <p>If your contract was not listed in this correspondence, it will not transfer and may be included in a wash-up.</p>
1.2	<p>Who do I talk to if my contract is expiring on 30 June 2022?</p>	<p>Your existing contract relationship manager will be able to inform you of the current status of your agreement.</p>		

1. General

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
1.3	<p>Will there be a new assignment or novation of my contract on 1 July 2022?</p>	<p>DHB contracts will be legally transferred by the Pae Ora (Healthy Futures) Bill to Health New Zealand on 1 July 2022.</p> <p>Māori Health Authority contracts will subsequently be transferred from Health New Zealand to the Māori Health Authority using the Health Sector (Transfers) Act. This means transfers should not be viewed as an assignment or novation in the contractual sense.</p> <p>Transfers under these mechanisms mean that nothing changes except for the government party to the contract. All terms and conditions remain the same, and no rights to terminate, cancel, or modify any agreement are triggered.</p> <p>The scope of the contract will also continue to be limited to the area of the DHB and will not become a national contract.</p>	<p>Ministry funded DSS contracts will be transferred to the Ministry for Disabled People using the Public Sector Act.</p> <p>Ministry funded DSS contracts that are transferring to Health New Zealand (see related 6.2) will be transferred using the Health Sector (Transfers) Act. This means that transfers should not be viewed as an assignment or novation in the contractual sense.</p> <p>Transfers under these mechanisms mean that nothing changes except for the government party to the contract. All terms and conditions remain the same, and no rights to terminate, cancel, or modify any agreement are triggered.</p>	<p>Ministry contracts will be transferred using the Health Sector (Transfers) Act. This means transfers should not be viewed as an assignment or novation in the contractual sense.</p> <p>Transfers under these mechanisms mean that nothing changes except for the government party to the contract. All terms and conditions remain the same, and no rights to terminate, cancel, or modify any agreement are triggered.</p>

1. General

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
1.4	<p>Who do I contact for the ongoing maintenance of my agreement after 1 July?</p>	<p>In most instances, you will continue to work with the same people that you work with now.</p> <p>If your existing contract relationship manager has moved on, the DHB that your contract is currently with will contact you to confirm your relationship manager after 1 July.</p> <p>This includes contracts with the Māori Health Authority who will continue to be managed by the same people until October 2022 (see related 5.2).</p>	<p>Your relationship manager will likely change. You will be notified regarding this after 1 July 2022.</p>	<p>In most instances, you will continue to work with the same people that you work with now under Health New Zealand.</p> <p>If your existing contract relationship manager will no longer be your point of contact, the Ministry of Health will contact you to confirm who your relationship manager will be from 1 July.</p> <p>This includes contracts with the Māori Health Authority who will continue to be managed by the same people until October 2022 (see related 5.2).</p>
1.5	<p>Currently we have local clauses in our contracts such as: Exit, Smokefree, and Children's Act. Will these be standardised at some point?</p>	<p>Yes, but this is not an urgent priority. These terms will remain intact with the geographical boundaries associated with the DHB on Day 1.</p>	<p>N/A</p>	

2. Invoicing and Billing

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
2.1	Do I need to update my invoicing/billing process from 1 July?	<p>For existing contracts, any invoices or documents made out to your DHB will automatically be accepted and paid by Health New Zealand (or the Māori Health Authority) after 1 July 2022.</p> <p>Over time providers will gradually change their own billing processes to reflect their new entity but there is no immediate need to update your debtor systems for existing contracts.</p> <p>For new contracts made under Health New Zealand or the Māori Health Authority after 1 July 2022, please provide your invoice addressed to Health New Zealand or the Māori Health Authority as appropriate.</p> <p>Contracts will continue to be processed through Sector Operations.</p>	<p>For contracts transferring to the Ministry for Disabled People, once the contracts have transferred, changes to reflect the new name of the Ministry will be done in consultation with you when other changes to your contract are made (i.e. variations or other agreed changes). You will be informed of the exact changes required (including new relationship managers) in June.</p> <p>For the DSS contracts that are transferring to Health New Zealand, please provide your invoice addressed to Health New Zealand. You will be contacted by the Ministry in June notifying you of changes required.</p> <p>In both cases contracts will continue to be processed through Sector Operations.</p>	<p>Your contract will transfer to either Health New Zealand or the Māori Health Authority on 1 July. Your invoices will need to be addressed to the correct new entity that the contract is with after 1 July.</p> <p>You will be informed of the new billing details prior to 1 July.</p> <p>For services until 30 June, you should continue to invoice the Ministry of Health as usual.</p>
2.2	How does invoicing for carer support / NTA work past 1 July?	<p>There will be no change to the invoicing processes for Carer Support / NTA post 1 July 2022. (See related 2.1).</p>	<p>There are no additional considerations for invoicing for carer support after 1 July. (See related 2.1).</p>	<p>N/A</p>

2. Invoicing and Billing

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
2.3	When will invoicing procedures need to be updated by providers?	<p>Health New Zealand and Māori Health Authority NGO providers will eventually need to update their invoicing processes, but this is not an immediate priority.</p> <p>Any changes required, and the date by which they should be actioned, will be communicated sometime after 1 July (see related 2.1).</p>	<p>DSS providers will be advised in June 2022 of any specific changes required (see related 2.1).</p>	<p>Providers will need to update the name of the entity they are invoicing from 1 July (see related 2.1).</p> <p>No changes are required before then.</p>
2.4	What GST number should we use after 1 July?	<p>Any changes required will be communicated. In the meantime, continue as normal using the same GST numbers that you use now.</p> <p>New GST numbers will be provided as soon as they are available.</p>		
2.5	Where a contract holder pays another provider to deliver a service, who is responsible for informing the other parties to the contract of changes?	<p>The contract holder will be contacted. The contract holder is then responsible for informing other sub-contracting providers party to the agreement of changes to the contracting arrangements.</p>		

2. Invoicing and Billing

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
2.6	<p>For contracts commissioned directly by the DHB, (i.e., not processed through Sector Operations), what changes are required by the provider?</p>	<p>Providers should continue to invoice the DHB as they did prior to 1 July. The transfer provisions within the Pae Ora Legislation means makes all references to the DHB a reference to Health New Zealand.</p> <p>Eventually this will need to be adjusted to reflect the new organisations but is not an urgent priority.</p>	N/A	

3. Variations and Uplifts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
3.1	When can uplift communication be expected?	We appreciate providers will be wanting signals on contract price increases where applicable. These are contingent on national budget provisions and will be communicated through the usual channels at the earliest opportunity.	N/A	

4. Reporting and Performance Monitoring

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
4.1	What are my reporting obligations after 1 July?	Any changes to this process will be communicated prior to 1 July by the relevant entity. In the meantime, continue to report in the same manner, to the same person as you have previously.		
4.2	What e-mail addresses should I expect communication from / what address should I be sending information to?	The same as before – addresses may change in the future and they will be communicated with automatic redirects set up.	Changes to e-mail addresses will be communicated in June if they differ from existing ones.	

5. Māori Health contracts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
5.1	<p>Which contracts will transfer to the Māori Health Authority?</p>	<p>The Interim Māori Health Authority have worked with DHBs GM Māori, and the Ministry of Health's Māori Health Directorate to compile a list of providers whose contracts will transfer to the Māori Health Authority on 1 July 2022.</p> <p>If your contract is transferring to the Māori Health Authority, you will be notified of this prior to 1 July. You will not need to do anything to effect the transfer and nothing changes except for a change in contracting party to Māori Health Authority. All terms and conditions remain the same, and no rights to terminate, cancel, or modify any agreement are triggered.</p> <p>The scope of the contract will also continue to be limited to the geographical area that previously applied and it will not become a national contract.</p> <p>The Interim Māori Health Authority acknowledges that there are various definitions and criteria used for identifying a Māori provider in the current environment. The Māori Health Authority has commenced work to formulate a definition and criteria that best reflects the purpose of the Māori Health Authority. As such the set of providers contracting with the Māori Health Authority may change over time.</p> <p>Some contracts with Māori Health providers will transfer to Health New Zealand. This includes nationally negotiated contracts held by Māori providers (i.e., Primary Health Organisation Service Agreement [PHOSA], Integrated Community Pharmacy Service Agreement [ICPSA], Combined Dental Agreement [CDA], Age Related Residential Care [ARRC] and Section 88/51[S51/88] Notices), these will transfer to Health New Zealand and be co-commissioned by the Māori Health Authority. This is due to the financial risk they present with an open fee for service component, which Health New Zealand are more able to manage within a broader funding envelope.</p> <p>DHB and some Ministry of Health COVID related contracts with Māori Health providers will transfer to Health New Zealand. However, some Ministry of Health COVID related contracts with Māori Health providers will remain in the Ministry on 1 July.</p> <p>Ministry of Health DSS contracts with Māori Health providers will transfer to the Ministry for Disabled People.</p>		

5. Māori Health contracts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
5.2	Will contracts with the Māori Health Authority be managed by Māori Health Authority staff?	<p>Until October 2022, Health New Zealand will be providing administrative services by managing contracts on behalf of the Māori Health Authority, although the Māori Health Authority will be the contracting party.</p> <p>Until the Māori Health Authority assumes management of contracts on 1 October, Māori Health providers will continue to work with the same relationship manager. Māori Health providers will be notified in advance of any changes to this as part of the Māori Health Authority's change management process.</p>		
5.3	Will Māori Health providers have contracts with more than one new entity?	<p>Some Māori Health providers will have contracts with more than one of the new entities.</p> <p>Nationally negotiated, fee for service contracts (i.e., Primary Health Organisation Service Agreement [PHOSA], Integrated Community Pharmacy Service Agreement [ICPSA], Combined Dental Agreement [CDA], Age Related Residential Care [ARRC] and Section 88/51[S51/88] Notices), will transfer to Health New Zealand</p> <p>DHB and some Ministry of Health COVID related contracts with Māori Health providers will transfer to Health New Zealand. However, some Ministry of Health COVID contracts with Māori Health providers will remain in the Ministry on 1 July.</p>		

5. Māori Health contracts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
5.4	<p>Will any contracts transfer to the Māori Health Authority after 1 July 2022?</p>	<p>There is a wash-up transfer of contracts and funding planned for later this year.</p> <p>Contracts may transfer between Health New Zealand and the Māori Health Authority then.</p>	<p>DSS contracts held by Māori Health providers will transfer to the Ministry for Disabled People or Health New Zealand (see related 6.2). The Māori Health Authority will not hold these contracts.</p>	<p>Some contracts with Māori Health providers (mainly relating to Mental Health, and Population Health and Prevention) will transfer to Health New Zealand on 1 July, with the intention of being transferred to the Māori Health Authority in a wash-up taking place later this year.</p> <p>The reason for this is that these contracts are still being rolled out, or relate to specialised integrated services that should be managed within the broader Health New Zealand funding envelope for now.</p> <p>Providers will be informed of these decisions in advance of a transfer date and we do not expect this will cause any disruptions in making payments.</p>

6. Disability Support Service Contracts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
6.1	What contracts will transfer to the Ministry for Disabled People on 1 July 2022?	N/A	<p>Most contracts with the Ministry of Health Disability Directorate are transferring to the Ministry for Disabled People. A very small number of DSS services will transfer to Health New Zealand (see 6.2). You will be contacted soon by current organisations you hold contracts with and advised which organisation each of your contracts will transfer to.</p> <p>In the meantime, nothing changes - your contract manager remains the same and you will continue to be paid via the same processes.</p>	
6.2	What Ministry of Health DSS contracts will not transfer to the Ministry for Disabled People and which entities will they transfer to?	N/A	<ul style="list-style-type: none"> • Contact lenses (Health New Zealand) • Stump socks (Health New Zealand) • Wigs and hairpieces subsidy (Health New Zealand) • Breast prosthesis subsidy (Health New Zealand) • Artificial eyes (Health New Zealand) • Adult Adaptive Technologist for Burwood Hospital (Health New Zealand) • Adult inpatient and outpatient Assessment Treatment and Rehab [AT&R] post-acute (Health New Zealand) • Rehabilitation post-acute (Health New Zealand) 	N/A

7. COVID related contracts

ID	Question	Contracts with DHBs before 1 July 2022	Contracts with the Ministry of Health – DSS Directorate before 1 July 2022	Contracts with the Ministry of Health before 1 July 2022
7.1	Which organisation will be COVID related contracts be with after 1 July?	DHB COVID related contracts will transfer to Health New Zealand. See related 5.3.	N/A	<p>Some Ministry of Health COVID related contracts will transfer to Health New Zealand. The Ministry will have notified you in June 2022 if your contracts are transferring to Health New Zealand.</p> <p>However, some Ministry of Health COVID contracts will remain in the Ministry on 1 July.</p>