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# Community Midwifery Funding Model

# Report and Recommendations of the Community Midwifery Funding Co-design Project

**November 2017**

**Executive Summary**

This report sets out the process taken, and the findings of the Community Midwifery Funding Co-design Project carried out by the Ministry of Health and New Zealand College of Midwives co-design team with regard to an immediate funding model for community midwifery services.

The co-design team, with facilitation from Think Place, established that to design a funding model that upheld the community midwifery service principles required separate consideration of funding mechanisms and payment structures. This report presents the process and findings of the work to co-design an immediate funding and payment structure, including high level consideration of implementation.

**Background and Current Position**

The current situation has led to the professional body for midwifery, the New Zealand College of Midwives (NZCOM), becoming the ‘de facto’ operational organisation meeting the needs of the community midwifery workforce and fulfilling the required functions of any community midwifery services organisation in its absence.

NZCOM currently underpins the professional standards and quality assurance of the provision of community midwifery services and through its member’s support arm, the Midwifery and Maternity Provider Organisation (MMPO), provides business and IT support, clinical data collection and other services (including Language Line and National Paging solution), for its own members and for all New Zealand community midwives access to rural and urban locum support and service. Non-MMPO member midwives have sought business assistance with limited clinical data collection but full claiming processes from other IT vendors.

The Ministry also currently contracts with MMPO to undertake workforce support and locum cover, contracts with NZCOM for midwifery capacity & capability building and service integration, and administers payments to individual midwives in house. The MMPO is the only organisation (outside of the MOH) that currently electronically pays community midwives their entitlements under Section 88 directly.

There is no other existing provider (other than the NZCOM group), that is substantially market ready for us to procure the full scope of services or even facilitate a more seamless transition.

**Key Recommendations**

Our key recommendations:

* A national community midwifery service organisation that holds a national contract to support the workforce to meet the highly variable needs of women and fund and make payment to contracted midwives via a blended payment model (paying a fair and reasonable amount for work done). This will require the establishment of a new organisation and then establishment of individual contracts with all midwife LMCs as well as development of a new payments system, reporting processes and all associated administration infrastructure and personnel.

While this is the recommended future state, there is an urgent need to address the significant and immediate pressures faced by this workforce primarily due to the current payment model.

As a result, the co-design team further recommend a prioritised staged implementation approach that is not primarily contingent on first establishing the national community midwifery services organisation.

**How would we make this happen?**

The high-level implementation approach involves six stages:

**Stage 1:** Immediate procurement of the funding and payments infrastructure to administer the blended model. There is a need for this to be urgently procured, designed, and built so that claims can be properly validated and allow payments to be made to community midwives. This stage will include;

* Moving LMC midwives from the current contract (Section 88) to the new national contract outside of legislation
* Payment of Business Costs and On Call acknowledgement (By 1 July 2018.)
* Moving LMC midwives from the current fee structure to making payments under the blended modular payment model fee structure including additional time and travel, incentives, second midwife under the blended payment model. (By 1 October 2018)

**Stage 2:** Assess and agree other IT design considerations including future clinical and workforce data collection requirements, the Woman’s Notes (electronic portal) and the National Maternity Record

**Stage 3**: Commence the development of a new national community midwifery services contract, service specification and reporting requirements (Ongoing throughout)

**Stage 4:** Go live with the new payments infrastructure on the 1 July 2018 and 1 October 2018

**Stage 5:** Devolution of responsibility for contract management and payments infrastructure (and other functions as agreed) from the current provider to an agreed national community midwifery organisation, with the Ministry of Health continuing to pay on actual costs (from July 2020)

**Stage 6:** Full devolution of responsibility to a national community midwifery organisation, including a bulk funded contract (from July 2021)

**The Payment Infrastructure Market**

Payments infrastructure (contracting, clinical data capture, claiming functions and making of payments) are currently provided for community midwives by the Ministry of Health (contacting, claims and payments), the MMPO (clinical record, claims and payments) and a number of IT vendors (clinical record and claims). The Blended Payment Model requires a contract for services, clinical data capture, claiming functions and making of payments, so to rapidly implement the new payment model in order to address immediate pressures the co-design team sees NZCOM and the MMPO as the logical interim payment infrastructure provider until such time as a national organisation can provide this function.

The MMPO already has clinical data capture, claiming and payment infrastructure via contracts for 70% of community midwives. Purchasing this function through MMPO is expected to be faster, and cheaper than procurement of an internal Ministry of Health solution or an external vendor who is new to any or all of these components.

The alignment of IT vendor between the National Maternity Record and the MMPO clinical and payment services is an added benefit as both of these are purchased via Clevermed and both operate off the Maternity Spine/Connected Health platforms.

Other IT vendors could continue to provide some clinical data capture and claiming as they currently do, providing choice of vendor for midwives, however this claiming would be received by MMPO rather than by the Ministry directly. The Ministry of Health would only have one payee for services and would receive consistent data and information across all midwives and women (compared to the complexity of over 1300 midwife claimants and at least four IT vendors with varying data quality assurance, direct access online claiming, and paper based capacity as currently available).

Once a national organisation is established and operational, the payments infrastructure would be purchased by the national organisation.