

Consultation

PRACTITIONER FEES

NOVEMBER 2023

Introduction

Te Kaunihera Pūtaiao Hauora O Aotearoa | The Medical Sciences Council (the Council), as a responsible authority under the Health Practitioners Competence Assurance Act (2003), has the ability to set fees for services provided to practitioners. The Council also has the ability to impose a levy to pay for disciplinary matters.

The Council is proposing to increase its fees. In summary the changes are as follows:

- a. An increase in all fees including that paid for a practising certificate. For medical laboratory practitioners the proposal means that the cost of a practising certificate will increase from the current \$282.20 to \$339.00 (inclusive of GST). For anaesthetic technicians, the proposed fee for a practising certificate will see an increase from \$374.90 to \$450.00 (inclusive of GST).
- b. Removal of a reduced practising certificate fee for practitioners who apply for a practising certificate after 30 September
- c. Introduction of a reduced practising certificate fee for new graduates entering the Register and applying for their first practising certificate between December March each year for the current practising year
- d. Introduction of a disciplinary levy

The Council will advise practitioners of the outcome of this consultation and any changes to fees will be published in the New Zealand Gazette.

Background

Te Kaunihera Pūtaiao Hauora O Aotearoa | The Medical Sciences Council (the Council), as a responsible authority under the Health Practitioners Competence Assurance Act (2003), has the ability to set fees for services provided to practitioners. The Council also has the ability to impose a levy to pay for disciplinary matters. The Council is proposing to increase the fees paid by practitioners and is consulting with the profession and key stakeholders before it makes a decision on this proposal.

The functions of the Council are described in <u>section 118 of the Health Practitioners Competence</u> <u>Assurance Act</u>. The work undertaken by the Council in enacting these functions is divided into strategic work and its business-as-usual activities. Strategic work is underpinned by the <u>Council's</u> <u>strategic plan</u>. The Council has three main strategic focus areas for 2023-2026; these are:

- 1. Alignment of regulatory frameworks
- 2. Meeting its obligations as a Tiriti o Waitangi Partner
- 3. Data strategy.

Progress has been made on all strategic priorities over the course of 2023 and this includes the successful development of the Māori practitioner advisory committee, the purpose of which is to provide advice to the Council. Further, the ongoing review of the scopes of practice for both Medical Laboratory Science practitioners and Anaesthetic Technicians has progressed.

In addition to its strategic work the Council must also maintain its core regulatory work which includes processing registration and practising certificate applications, recertification and audit as well as managing competence, health and conduct matters. Due to national workforce initiatives, there has been an increase in the number of applications for registration from internationally qualified applicants. This has meant an increase in the number of assessment of qualifications that need to be undertaken and the resourcing that is required to manage this. The Council has also managed a relatively large number of professional standards cases which were referred to professional conduct committees. It is often hard to predict the number of cases that will be received each year, and the Council must ensure that sufficient funds are allocated for these purposes.

The Council's income is derived mostly from fees associated with the issuing of practising certificates with the majority of income received in February – March of each year. As part of its budget processes the Council makes a projection of expected annual income based on current volumes of practitioners, the number of matters it is managing related to competence and discipline, and other factors. The Council must ensure through its budgeting, expenditure and cashflow processes that it has sufficient funds in order to operate each year and that it has sufficient reserves to take into account unexpected matters such as a decrease in the number of practitioners applying to renew practising certificates, variation in the number and type of professional conduct matters that it must investigate as well as external factors that impact on the number of practitioners seeking registration.

The Council has a <u>reserves policy</u> which it uses to guide its decision making around the levels of funds that it holds. The Council is also mindful of the cost of providing services and must make sure when making decisions that there is a prudent and judicious use of practitioner funds. The Council must ensure that there is no subsidy across professions, therefore there is a difference in the cost of a practising certificate for the different scopes of practice. Notwithstanding these constraints the

Council must also operate within the current regulatory and economic environment. Accordingly, in order to maintain the appropriate level of reserves and its financial sustainability, the Council must adjust its fees in order to ensure that it can provide required services. Further information is provided in the Frequently Asked Questions section.

Proposals

The Council is making a number of proposals around fees paid by practitioners which are as follows:

- The Council is proposing to increase practitioner fees for the 2024-2025 practising year. In this instance it is proposing an increase to all fees. While fees have been kept the same over the last few practising years, the proposed fee increases are necessary for the Council to meet the ongoing costs of delivering its regulatory functions and responsibilities. For most practitioners the main change will be that the annual practising certificate (APC) fee will increase as follows:
 - a. For medical laboratory practitioners the proposal means that it will increase from the current \$282.20 to \$339.00 (inclusive of GST)
 - b. For anaesthetic technicians, the increase is from \$374.90 to \$450.00 (inclusive of GST). A table of proposed fees is included as Appendix A.
- 2. The Council is also proposing to remove reduced fees for practising certificates for those practitioners who apply after 30 September each year.
- 3. The Council is proposing to introduce a reduced practising certificate fee for graduate medical laboratory scientists and anaesthetic technicians who enter the Register on completion of their pre-registration programme of education between December March each year. This is a one-off reduced fee in recognition of their transition from undergraduate student to graduate and registered practitioner and will only be available on completion of their programme for the current practising year. Therefore, if a graduate applies for their first practising certificate to practise after 1 April, they will not be eligible for the reduced fee.
- 4. The last proposal that the Council is seeking submissions on relates to the introduction of a standalone fee to fund matters of discipline. A disciplinary levy is used to fund cases that are referred to a Professional Conduct Committee and any costs associated with the Health Practitioner Disciplinary Tribunal.

At this time the Council is proposing the introduction of a fee of \$50 (excluding GST) for both Anaesthetic Technician and Medical Laboratory Science practitioners.

Frequently asked questions

Why is there is a difference in the APC fee for medical laboratory science practitioners and anaesthetic technicians?

The APC fee for anaesthetic technicians is higher than for medical laboratory science practitioners due to the smaller number of anaesthetic technicians that are on the Register, and the Council's obligation to ensure when setting fees there is no cross-profession subsidisation.

What will the increased fees be used for?

The proposed fee increases are necessary for the Council to meet the full operational and capital expenditure costs to deliver the functions and responsibilities required of them under the Health Practitioners Competence Assurance Act 2003 (HPCA Act). The Council needs to invest in capital projects to ensure that it has the infrastructure required to support the timely and effective regulation of practitioners. The Council is aware of its obligations to the safety of practitioner information and needs to invest further in its information security. Investment required for capital projects is budgeted to be approximately \$135,000.

There have also been gradual increases in costs across all Council activities since the last fees review with the biggest cost being for operations. While the Council has seen an increase in the number of applicants applying for registration, it has also seen an increase in activity with its practitioner engagement. This has meant that staff are spending more time working with and supporting practitioners with requests and information sharing rather than routine operational processes.

The Council needs to be a responsive regulator and ensure that its strategic projects can occur in a timely manner. At this time, it is working on two scope of practice reviews. One for anaesthetic technicians and another for medical laboratory scientists. This work is integral to the regulation of both professions and the projects are key priorities for completion. Undertaking scope reviews are complex projects which can have many impacts, not only for the profession but also for the policies and procedures that are part of the routine work of the Council. These projects take time and need to be resourced appropriately.

Underpinning all this work is the Council's need to ensure that the scope and competence standards enable effective interaction with Māori. The development of the Māori Practitioner Advisory Committee and a desire to effectively engage with Māori practitioners requires the Council to financially support this rōpū. The Council also has a need to ensure that the people providing its services work in ways that are culturally safe and is therefore strengthening its regulatory work with a focus on Te Tiriti o Waitangi.

It is important to advise that the cumulative effect of the fee increases will not mean that the Council will cover all forecasted costs and the Council expects to have an annual deficit for both capital and operational expenditure of around \$300,000 for the 2024-2025 financial year. However, the Council is committed to keeping fee increases at an affordable level for practitioners, and the expected annual deficit is manageable due to the Council having a reasonable level of reserve funds.

What is a disciplinary levy used for?

This is a single fee that is used for practitioners referred to a professional conduct committee and to the Health Practitioners Disciplinary Tribunal. When a practitioner is referred to a discipline process then the profession must pay for this. Currently this comes from the general practising certificate fee. With an increase in the number of cases that have been referred to professional conduct

committees and their associated costs, the Council is proposing that it include an additional disciplinary levy on top of the practising certificate fee. Money received from this levy can only be used to fund disciplinary processes.

Each year the Council must pay a fee to the Tribunal in order to fund it. This is based on a per practitioner basis and is payable regardless of the number of cases that may have been referred to the Tribunal. In addition, a fee is payable to the Tribunal in order to fund education for profession specific tribunal members.

If established and before it charges the fee again, the Council will assess the level of reserves it holds in its disciplinary fund against projected costs for disciplinary matters.

What does the Council do to minimise costs?

The Council continually reviews its operations within best-value-for-money principles and in alignment with the good practice guidelines presented by the Office of the Auditor-General and Treasury. A core strategy that has enabled the Council to keep its fees at a significantly lower level when compared to other similar sized regulatory authorities is its partnership arrangement with the Medical Radiation Technologists Board, whereby secretariat services are shared. This allows the Council to realise benefits such as more efficient staffing resources and the sharing of office accommodation, and a common IT infrastructure.

Why does the Council have reserve funds?

Having a reasonable level of reserves is essential for the Council's financial viability. Under the HPCA Act the Council must fund its operations through a cost recovery model. As it receives no government funding it is reliant on practitioner fees to fund our operations. Our reserves policy can be found <u>here</u>.

Why are you removing the reduced fee for practitioners who only work part of the year?

While practitioners may only work part of the year, the cost of providing services does not reduce. The Council is mindful that in providing a reduced fee for some practitioners, others may be subsidising the true cost.

Why are you introducing a different practising certificate fee for Aotearoa New Zealand new graduates entering the profession?

The fee for new graduates recognises that they have just completed an undergraduate programme of education with associated costs, that they have less resources than employed registered practitioners, they have applied for and been granted registration as a health practitioner with associated costs and are now entering the workforce.

Are there any developmental initiatives the Council needs to fund?

The Council has a number of important developmental initiatives that will progress during 2024-2025 and many of them have been outlined in this paper. Its initiatives include meeting its obligations to contribute to the national drive for demonstrable and sustainable improvements to health equity and culturally safe health services. The Council will also continue to improve its engagement with stakeholders.

Are there any capital projects that the Council needs to fund?

As with any organisation there is a need to consider investment in information technology and information security. The Council has recently commenced an information management project which has looked at the information it holds and the processes around its management. The Council needs to ensure that it has a robust, efficient information technology system and infrastructure to support its regulatory functions. During 2024-2025 the Council plans to review this.

Feedback and submissions

The consultation document will be sent to all registered and practising medical laboratory science practitioners and anaesthetic technicians. It will also be sent to a number of key stakeholder organisations and will also be available on the <u>Council's website</u>. The Council invites all practitioners and organisations with an interest in this matter to provide comments and make submissions.

The Council will consider all submissions and feedback received before a decision is made on the proposed fees that are presented in this document. Any decision will then be communicated to practitioners and if a change is to be made then a notice will be placed in the New Zealand Gazette.

Submissions must be received by 5pm on Monday 4 December 2023

Submissions can be made by completing the survey found <u>here</u>.

If you have any questions please email <u>msc@medsci.co.nz</u> with subject line **MSC Fees Consultation.**

Ngā mihi

Sanditas

Dr Susan Calvert Chief Executive

Appendix A

Schedule of proposed fees

Medical Laboratory Science Practitioners			
Fee type	Current (GST inclusive)	Proposed (GST inclusive)	
Registration Fee			
NZ graduate	381.10	458.00	
Overseas graduate no qualification assessment required	597.40	717.00	
Additional scope	108.15	130.00	
Annual Practising Certificate (APC)			
Renewal of APC received by 31 March	282.20	339.00	
Renewal of APC received after 7 April	395.50	475.00	
Application for an initial or Return to Work practising certificate	282.20	339.00	
received between 1 April 202X – 31 March 202Y			
Supply of Documents			
Registration certification/re-issue of registration certificate	62.80	76.00	
Letter of good standing	62.80	76.00	
Restoration to the register	62.80	76.00	
Online Examination	2570.90	3086.00	
New Fees			
Disciplinary levy	-	57.50	
Application for a first practising certificate for an Aotearoa New		195.00	
Zealand graduate between 1 December and 31 March each year.			

Anaesthetic Technicians			
Fee type	Current (GST inclusive)	Proposed (GST inclusive)	
Registration Fee			
NZ graduate	381.10	458.00	
Overseas graduate	597.40	717.00	
Annual Practising Certificate (APC)			
Renewal of APC received by 31 March	374.90	450.00	
Renewal of APC received after 7 April	525.30	631.00	
Application for an initial or Return to Work practising certificate	374.90	450.00	
received between 1 April 202X – 31 March 202Y			
Supply of Documents			
Registration certification/re-issue of registration certificate	62.80	76.00	
Letter of good standing	62.80	76.00	
Restoration to the register	62.80	76.00	
Online Examination	2570.90	3086.00	
New Fees			
Disciplinary levy	-	57.50	
Application for a first practising certificate for an Aotearoa New Zealand graduate between 1 December and 31 March each year.		225.00	