

INSTRUCTIONS FOR COMPLETING THE FEES TEMPLATE 2018/19

[NB Tabs 1, 2, and 3 are entered into by clicking the tab at the bottom of the screen].

Option A template provides an approximation of allowable fee increases

Option B template needs more information to complete, but provides a definitive answer

OPTION A

This is a quick template that provides an approximation of allowable fee increases, particularly if busy practices are seeking to apply a \$value increase across age groups.

Open up Tab 1 (Revenue Split) – Co-payment/capitation revenue split calculation.

1. *Column C – “Number of patients in this category”*. Enter the actual number of patients enrolled through the individual practice against each of the age groups.
2. *Column H – “30th June 2018 fee (co-payment)”*. Enter the 30th June 2018 co-payment fee for patients against each of the age groups.

The information in Tab 1 is automatically translated into Tab 2 (Annual Statement Summary).

- This provides a summary of allowable percentage increases from previous years as a guide only. Given that the revenue split may have changed between years, it is more appropriate to refer back to the assessment for previous year/s to determine whether there is any **residue percentage** that should be brought forward. If so, please refer to clause F22 (11) in the PHO Services Agreement. This will demonstrate the calculation to be used to support carry forward of residue percentages from previous years.
- Note: Given the statements in 2011/12 and 2012/13 it is possible that this residue percentage could be negative.

Open up Tab 3 (Co-payment Template) - “Template to adjust fees by age group”.

- *Cell F8* - Enter the rate of GST to apply to the co-payments.
- *Column I or L – “Co-payment change”*. (Choose one – either a \$ value **or** % value). Enter the proposed increase in co-payment. In both cases, use the up and down arrows to reach the desired rate. As a co-payment increase is applied, the “% change in annual co-payment revenue” amount accumulates in the bottom right hand corner. When all age group increases have been applied, if the “% change in annual co-payment revenue” is equal to or less than the “Co-payment annual statement” percentage, the increase will be deemed reasonable and not challenged by the DHB.

OPTION B

This template needs more information to complete and provides a definitive answer.

Open up Tab 1 (Revenue Split) – Co-payment/capitation revenue split calculation.

1. *Column D “Enrolled patients in this category”*. Enter the number of enrolled patients against each age group.
2. *Column E – “Annual standard medical consultations”*. Enter the total actual number of consultations for each age group for the previous 12 months.
3. *Column F – “30th June 2018 fee co-payment”*. Enter the GST inclusive co-payment fee for patients against each of the age groups that applied on 30th June 2018. Fee increases will be measured against the total allowance for the year irrespective of any previous increases.
4. *Cell H32 – “Annual capitation revenue”*. Enter the total revenue received by the practice in capitation payments exclusive of GST.

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Tab 3 (Co-payment Template) - “Template to adjust fees by age group”.

- *Cell G8* - Enter the rate of GST to apply to the co-payments.
- *Column I or L – “Co-payment change”*. (Choose one – either a \$ value **or** % value). Enter the proposed increase in co-payment. In both cases, use the up and down arrows to reach the desired rate. As a co-payment increase is applied, the “% change in annual co-payment revenue” amount accumulates in the bottom right hand corner. When all age group increases have been applied, if the “% change in annual co-payment revenue” is equal to or less than the “Co-payment annual statement” percentage, the increase will be deemed reasonable and not challenged by the DHB.

In instances where the “% change in annual co-payment revenue” is greater than the “Co-payment annual statement” percentage, DHBs will seek to have the PHO/practice review the intended increase to bring the overall percentage back within the allowable percentage. Where the PHO/practice rejects that request, DHBs are required to submit a referral to the regional Fees Review Committee to have the matter considered independently. This is a timely and costly process that ideally should be avoided if at all possible.