Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative

Summary  An exemption to section 19(2) of the Health Insurance Act 1973 is granted to an approved site by the Commonwealth Minister for Health. This Policy Directive outlines the Commonwealth section 19(2) exemptions initiative and the requirements for sites and General Practitioner Visiting Medical Officers participating in the initiative. Enquiries regarding employment arrangements are to be directed to Workplace Relations Branch and enquiries regarding financial arrangements are to be directed to Finance and Business Management Branch.

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Personnel/Workforce - Industrial and Employee Relations
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Distributed to  Divisions of General Practice, Ministry of Health, NSW Ambulance Service, Public Health System
Audience  Local Health Districts, Primary Health Networks, Visiting Medical Officers, Allied Health Officers.

Secretary, NSW Health
This Policy Directive may be varied, withdrawn or replaced at any time. Compliance with this directive is mandatory for NSW Health and is a condition of subsidy for public health organisations.
IMPROVING ACCESS TO PRIMARY CARE IN RURAL AND REMOTE AREAS (S19(2) EXEMPTIONS) INITIATIVE

PURPOSE
In April 2011, New South Wales entered into a Memorandum of Understanding (MoU) with the Commonwealth in relation to the Improving Access to Primary Care Services in Rural Areas (s19(2) Exemptions) Initiative (the Initiative).

A new MoU was entered into in May 2016. Under the Initiative, rural and remote hospitals and health services in small communities (within categories 5-7 of the Modified Monash Model [MMM] Classification System), are eligible for an exemption from section 19(2) of the Commonwealth Health Insurance Act 1973 (the Act).

Exemptions allow eligible services provided by primary health care providers under state and territory funded remuneration arrangements to be claimed against the Medicare Benefits Scheme (MBS).

For a site granted an exemption from section 19(2) of the Act, the Initiative allows Medicare benefits to be claimed for eligible non-admitted, non-referred professional services that have traditionally been provided by state governments in small rural health facilities.

KEY PRINCIPLES
The Principles of the MoU are that:

- All Australians should have equitable access to appropriate and quality health care throughout their lifetime, regardless of their place of residence within Australia.
- Australians in rural and remote communities face particular challenges when it comes to accessing appropriate health care, and it is the responsibility of all Australian governments to seek to address these challenges.
- The health and medical workforce is a finite and valuable resource and its members’ involvement and support is crucial to the continued success of the initiative.
- Funding accessed through the initiative should not be used for any purpose that undermines the viability or profitability of existing, privately operated health services, including existing general practices
- Implementation of the initiative should take place as transparently as possible, while ensuring that agreed data collection and reporting requirements remain straightforward and uses existing processes where possible.

USE OF THE GUIDELINE
The purpose of this Guideline is to articulate the obligations of rural Local Health Districts and any eligible health professionals and/or Visiting Medical Officers participating in this initiative. This will ensure that Local Health Districts, eligible health
professionals and Visiting Medical Officers are aware of and are able to comply with the requirements for Medicare billing, the assignment of Medicare Benefits Scheme (MBS) funds and the subsequent investment in primary health care services under this Guideline.

REVISION HISTORY

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<tr>
<th>Version</th>
<th>Approved by</th>
<th>Amendment notes</th>
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<tr>
<td>March 2017</td>
<td>Deputy Secretary, Strategy and Resources</td>
<td>Guideline replaces previous policy as the MoU provides mandatory requirements.</td>
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<td>(GL2017_005)</td>
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<tr>
<td>June 2012</td>
<td>Director General, Ministry of Health</td>
<td>New policy</td>
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ATTACHMENTS

1. Improving Access to primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative: Guideline.
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1 BACKGROUND

The Council of Australian Governments (COAG) Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative (the Initiative) is targeted at rural and remote hospitals and health services in small communities (within categories 5-7 of the Modified Monash Model [MMM] Classification System). Under the Initiative, these facilities are eligible for an exemption from section 19(2) of the Commonwealth Health Insurance Act 1973. The MMM is updated annually. If an exempted site becomes ineligible due to changes in the MMM, the Commonwealth will provide 18 months’ notice that the site will be phased out of the initiative.

This guideline applies to those locations that have applied for and been granted an exemption, under this initiative, from section 19(2) of the Health Insurance Act 1973 by the Commonwealth Minister for Health. It does not apply to any other circumstance. In those locations granted an exemption, it applies only to eligible services provided by Visiting Medical Officers and/or eligible health professionals with a Medicare provider number issued for the purposes of the Initiative.

Application templates are available at Attachment 4 for eligible sites that would like to apply for an exemption under the initiative. For the avoidance of doubt, this guideline is a “rule” for participating Local Health Districts for the purposes of clauses 2.5.3 of the standard RDA Fee-for-Service Contracts – Rural Doctor Package Hospitals for individual VMOs and 3.6.3 for Practice Company Contracts - Rural Doctor Package Hospitals.

Participating rural Local Health Districts are required to issue a Visiting Medical Officer - Letter of Agreement (Attachment 1) to participating Visiting Medical Officers and the Eligible Health Professional – Letter of Agreement (Attachment 2) to eligible health professionals prior to commencement of Medicare billing. A copy must be retained with the Visiting Medical Officer’s contract or with the eligible health professional’s employment records.

Local Health Districts are required to supply to participating eligible health professionals and Visiting Medical Officers an End of Financial Year - Medicare Information Letter (Attachment 3) at the end of each financial year. A copy must be retained for reporting and audit purposes.

2 DEFINITIONS

<table>
<thead>
<tr>
<th>Agreement of local primary health care practitioners</th>
<th>Agreement should be defined or measured as follows:</th>
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<tbody>
<tr>
<td>- agreement obtained by the states and then demonstrated to the Commonwealth</td>
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<tr>
<td>- the Commonwealth will require evidence of support or otherwise from local privately practicing or community-based primary health care practitioners in the area or nearby (if there are any such providers) and other stakeholder groups (such as the local Primary Health Network, Aboriginal Medical Services, and Royal Flying Doctor’s Service) as appropriate</td>
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<tr>
<td>- primary health care practitioners may choose to be represented by a representative in negotiations.</td>
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Where agreement cannot be reached by all health practitioners, the process outlined in Clause 8.3 of the MoU will apply that Parties agree to jointly:

- Review, with input from the relevant Primary Health Network, whether there is sufficient support to grant an exemption where agreement cannot be established by all stakeholders, or where support is later withdrawn, noting that the Commonwealth reserves the right to make a final decision on granting an exemption;
- Monitor and evaluate the initiative’s ongoing effectiveness and discuss proposals for changes to its operation.

<table>
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<tr>
<th>Eligible health professional</th>
<th>Means an employee of a participating Local Health District who is a:</th>
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<tr>
<td></td>
<td>- Nurse practitioner, or</td>
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<td>- Medical officer or staff specialist, or</td>
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<td></td>
<td>- Midwife, or</td>
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<td></td>
<td>- Allied health professional, or</td>
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<td></td>
<td>- Dental professional and who is eligible for a Medicare</td>
</tr>
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<td></td>
<td>provider number.</td>
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| Eligible Services | Professional non-admitted, non-referred services (including eligible nursing and midwifery services) and eligible allied health and dental services. For diagnostic imaging services, the same provisions that currently apply to GPs would also apply under the Initiative. |

| Eligible Site | An eligible site is a health facility from which services are traditionally provided by the state health authority - including hospitals and their outreach services, Multipurpose Services (MPS), and community clinics - and that is situated in a locality that is subject to a s19(2) exemption. |

| Medicare Benefits Provider Eligibility | A medical practitioner or health professional (including eligible nurse practitioners, eligible midwives, allied health and dental practitioners) wishing to access Medicare benefits will need to meet the requirements of the Health Insurance Act 1973. Information about such eligibility is available on the Department of Human Services website at: www.humanservices.gov.au. Medical practitioners or health professionals will not be able to access Medicare benefits if they do not meet the appropriate requirements. In some cases this will mean seeking exemptions from the usual requirement because of special circumstances, such as working in a district of medical workforce shortage. |

| Modified Monash Model (MMM) | The Modified Monash Model (MMM) is a new classification system that better categorises metropolitan, regional, rural and remote areas according to both geographical remoteness and town size. The system was developed to recognise the challenges in attracting health workers to more remote and smaller communities. The MMM has seven categories (1 through to 7). For the purposes of the Initiative, eligible locations must be within categories 5, 6 or 7. |

| MoU | Memorandum of Understanding (MoU) signed between the |
Commonwealth of Australia and NSW in relation to the cooperative implementation of the Council of Australian Governments “Improving Access to Primary Care in Rural and Remote Areas Initiative (Section 19(2) Exemptions Initiative 2016-2020).

### Non-Admitted Patients

A *non-admitted* patient is a patient who does not undergo a hospital’s formal admission process. There are three categories of *non-admitted* patient:

- Emergency department patient
- Outpatient
- A patient treated by hospital employees off the hospital site – includes community/outreach services.

### Operational Plan

An Operational Plan outlines how particular sites intend to implement and operate the Initiative. An Operational Plan will be provided by the Local Health District in applying for a site’s exemption under the Initiative. It is the Local Health District’s responsibility to ensure that revised plans are provided if significant changes in implementation or operations occur, and that any other changes are noted in annual reporting.

### 3 RESPONSIBILITY

**Local Health District Chief Executives are responsible for:**

- Implementing local policies to assist with the implementation of this initiative
- Implementing processes to ensure the Visiting Medical Officer - Letter of Agreement, Eligible Health Professional – Letter of Agreement, and the End of Financial Year – Medicare Information Letter, are provided to participating VMOs and eligible health professionals as outlined in this guideline
- Establishing local billing, accounting and reporting procedures to assist with the implementation of this initiative where sites become eligible
- Monitor and evaluate the implementation of this initiative
- Monitor, evaluate and report on the investment of revenue as identified in the site Operational Plan.

**Participating Visiting Medical Officers and eligible health professionals are responsible for:**

- Compliance with Medicare Australia rules, especially with respect to the assignment of Medicare income from the patient
- Allocation of appropriate MBS item numbers
- Paying over Medicare earnings to the Local Health District.

### 4 PROCESS FOR IMPLEMENTATION

1. Identify the locality and determine if the site meets eligibility requirements.
   
   Consultation with Primary Health Networks can be undertaken to ensure suitability
of sites are identified. This can assist with integrating the initiative with other health services being coordinated by Primary Health Networks.

2. Undertake initial development phase of operational plan in consultation with Primary Health Networks so the diverse needs of health service providers and the local community are considered. The Primary Health Networks may be able to assist with negotiations with local health service providers to gain their support for the Initiative.

3. Provide information on S19(2) to all stakeholders, including primary care providers such as general practitioners, allied health practitioners, Aboriginal Health Services and the Royal Flying Doctor Service.

4. Undertake negotiations with all stakeholders and seek written support. Sufficient time should be given to allow stakeholders to respond appropriately.

5. Finalise the operational plan that will be used for the site.

6. Identify how the MBS rebate will be spent.

7. Identify the arrangements in place to oversee distribution of funds.

8. Send application for exemption to the Commonwealth through the Auskey portal.


5 REQUIREMENTS OF PARTICIPATING SITES

A participating site is a rural health facility granted an exemption by the Commonwealth Minister for Health. Attachment 4 includes application templates which are used to seek an exemption under the NSW COAG S19(2) exemption initiative. Local Health Districts, eligible health professionals and Visiting Medical Officers (VMOs) participating in the Initiative should be aware of the following:

5.1 Impact on Current Industrial Arrangements

The Initiative relates exclusively to public patient services provided by participating hospitals. In respect of those services, existing terms and conditions of employment (in the case of eligible health professionals) and of engagement (in the case of VMOs) will continue to apply. This includes relevant NSW industrial instruments, as well as applicable NSW Health policies, rules and guidelines. Further, this initiative does not affect or impact on the rights of private practice of employed eligible health professionals (where applicable). Local Health Districts should obtain support for the initiative from local primary health care providers, including (but not limited to), Primary Health Networks, general practitioners, the Royal Flying Doctor Service and Aboriginal Health Services. Where support is not received from all stakeholders, a review process may be conducted.
5.2 VMO Contractual Arrangements and TMF Coverage

VMOs participating in the Initiative will continue to be eligible for Treasury Managed Fund (TMF) cover on the basis the VMO has a signed VMO Service Contract and a signed Contract of Liability Coverage. Participating VMOs shall continue to be indemnified by the TMF in accordance with the terms of their Contract of Liability Coverage.

VMOs are required to comply with NSW Health Policy Directives, Guidelines and Information Bulletins as per standard contractual arrangements. The Visiting Medical Officer - Letter of Agreement (Attachment 1) sets out the additional requirements for VMOs participating in the Initiative and will be provided to a participating VMO once an exemption from s19(2) of the Health Insurance Act 1973 has been granted by the Commonwealth Minister for Health to the participating site.

5.3 Employment status of eligible health professional

Eligible health professionals will remain subject to standard NSW Health employment terms and conditions, but will be eligible to claim Medicare benefits for eligible services.

Eligible health professionals are required to comply with NSW Health policies. Eligible health professionals must be consulted by the Local Health District to seek their agreement to participate in the Initiative. Following this, an Eligible Health Professional – Letter of Agreement (Attachment 2) must be provided to the eligible health professional.

Eligible health professionals participating in the Initiative will remain indemnified by the NSW Government (through Treasury Managed Fund) in respect of services provided under the Initiative as the services will be provided in the course of their employment with NSW Health.

5.4 Remuneration

Since 1988 NSW has operated under the Rural Doctors Settlement Package for remuneration of VMOs in designated rural facilities. A section 19(2) exemption will not change these remuneration arrangements. What the exemption allows is for Medicare benefits to be claimed for services provided by VMOs to public patients in respect of which the VMO is remunerated by the Local Health District in accordance with their VMO Service Contract and the Rural Doctors Settlement Package. Any eligible health professional who is employed by a Local Health District will continue to be remunerated under the relevant industrial award.

5.5 Medicare Benefit Revenue

Local Health Districts and participating VMOs/eligible health professionals will be responsible for ensuring that:

1) Patients who receive eligible services must assign their Medicare benefits to the VMO/eligible health professional in accordance with Medicare Australia requirements.

   It is important to note that the requirements for the assignment of Medicare benefits remain unchanged under this initiative. Compliance with these
requirements is the responsibility of the VMO/eligible health professional, and generally requires that:

- An agreement must be made between the patient (assignor) and the provider for the assignment of benefit.
- The agreement is ‘evidenced’ through the use of the assignment of benefit form.
- The patient is required to sign the form.
- A copy of the agreement must be offered to the patient.

Note: there are approved forms under the *Health Insurance Act 1973* for this purpose. For example, the DB2-GP is the approved form for General Practitioners. Further information regarding assignment of benefits can be obtained from Medicare Australia at [https://www.humanservices.gov.au/customer/dhs/medicare](https://www.humanservices.gov.au/customer/dhs/medicare).

Patients must not be charged a co-payment for MBS billed services under this initiative.

2) The Medicare benefits must be claimed in accordance with the *Health Insurance Act 1973* and Medicare Australia billing rules. It will be the responsibility of the VMO/eligible health professional to allocate the item numbers and otherwise ensure compliance with Medicare Australia requirements.

3) VMOs/eligible health professionals must pay over all Medicare benefit income they receive under the Initiative to the Local Health District.

The Australian Tax Office has issued an income tax Class Ruling CR 2012/20 that confirms that:

- The Medicare benefits assigned to VMOs and eligible health professionals by the patient is assessable income of the VMOs and eligible health professionals under section 6-5 of the *Income Tax Assessment Act 1997 (the ITAA)*; and
- The Medicare benefit income derived by VMOs and eligible health professionals paid over to the Local Health Districts is an allowable deduction under section 8-1 of the ITAA for income tax purposes.

An End of Financial Year - Medicare Information Letter (Attachment 3) will be provided by the Local Health Districts to participating VMOs and eligible health professionals to assist them in the preparation of their end of year income tax returns.

### 5.6 Allocation of Funds

Funds generated by the billing of Medicare under this Initiative must be used to enhance primary care services in the approved locality as identified in the site Operational Plan. In addition, as identified in the site Operational Plan, a small proportion (no greater than 30%) of the funds generated from this initiative may be directed towards meeting the administrative costs of the initiative e.g. billing procedures.

Revenue raised from exempt sites can be pooled by these sites for reinvestment initiatives which benefit all of these exempt sites and include it in any Operational Plan. For example, such funds could be put towards the cost of shared locum or shared equipment.
5.7 Financial Accountability and Reporting

Local Health Districts are expected to receipt the Medicare revenue paid over by the participating VMOs/eligible health professional in an identifiable cost centre for the purposes of this Initiative. Local Health Districts are required to report on Medicare revenue and expenditure from these cost centres to the Ministry of Health and the Commonwealth via annual reports. Local Health Districts are also required to ensure the receipt of funds and subsequent expenditure complies with NSW Health accounts and audit policies. Funds from the Section 19(2) Exemption Initiative should be placed into a designated cost centre for the exempt site within the Local Health District general funds which can be rolled over consecutive financial years.

Local Health Districts may also share annual revenue and expenditure reporting from the initiative with relevant local stakeholders annually.

6 ATTACHMENTS

1. Visiting Medical Officers - Letter of Agreement
2. Eligible Health Professional - Letter of Agreement
3. End of Financial Year - Medicare Information Letter
4. NSW COAG S19(2) exemption application templates
6.1 Attachment 1 - Visiting Medical Officer/VMO Practice Companies - Letter of Agreement

[Local Health District Letterhead]

[Date and Reference]

[Participating VMO details]

[Address]

Dear Dr [Name]

Re: Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative (the Initiative)

Under the Initiative an exemption from section 19(2) of the Health Insurance Act 1973 allows Medicare benefits to be claimed for eligible non-admitted, non-referred professional services. An exemption has been granted by the Commonwealth Minister for Health for [insert site name].

You have consented to participate in this Commonwealth initiative. As part of the terms and conditions of the Initiative, you are required to pay over to the Local Health District the Medicare billings assigned to you for relevant services provided under the Initiative. These funds will then be reinvested in local primary health care services as articulated in the site Operational Plan. I draw your attention to GL2017_005 Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative that sets out the requirements of Visiting Medical Officers participating in the Initiative.

You continue to be appointed as a Visiting Medical Officer by the Local Health District under existing contractual arrangements and remuneration will continue to be paid to you in respect of the services you provide under those arrangements, even where those services are also being billed under the Initiative.

The Australian Taxation Office has issued an income tax Class Ruling (CR 2012/20) in respect of VMOs and the Initiative arrangements. It confirms that the Medicare billings assigned to you by the patient with respect to eligible services are assessable income for income tax purposes. It also confirms that the billings then paid over by you to the Local Health District are a corresponding allowable deduction.

At the conclusion of each financial year a letter will be sent to you providing details of the Medicare billings received on your behalf and paid over to the Local Health District under the Initiative for the previous financial year to assist with the preparation of your income tax return.

You are requested to indicate your agreement to complying with the above requirements by signing this letter. Please retain a copy and return the original to [Details].
Thank you for your participation in this important initiative. Should you have any queries please contact [name] on [details].

Regards

Chief Executive
[Name] Local Health District

I Dr [Name] understand the requirements of my participation as outlined above.

Signed ........................................ Dated.................................
6.2 Attachment 2 - Eligible Health Professional - Letter of Agreement

[Local Health District Letterhead]
[Date and Reference]

[Participating eligible health professional details]
[Address]

Dear [Name]

Re: Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative (the Initiative)

Under the Initiative an exemption from section 19(2) of the Health Insurance Act 1973 allows Medicare benefits to be claimed for eligible non-admitted, non-referred professional services. An exemption has been granted by the Commonwealth Minister for Health for [insert site name].

Participation requires that you must pay over to the Local Health District the Medicare billings assigned to you for relevant services provided under the Initiative. These funds will then be reinvested in local primary health care services as articulated in the site Operational Plan.

These arrangements will not affect your employment status or entitlements. You are reminded that you continue to be employed by NSW Health as a [nurse practitioner/midwife/allied health professional] in accordance with your usual terms and conditions of employment and as such are required to comply with NSW Health Policy Directives. I draw your attention to GL2017_005 Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative that sets out the requirements of health professionals participating in the initiative.

The Australian Taxation Office has issued an income tax Class Ruling (CR 2012/20) in respect of eligible health professionals and the Initiative. It confirms that the Medicare billings assigned to you by the patient in respect of eligible services are assessable income for income tax purposes. It also confirms that the billings then paid over by you to the Local Health District are a corresponding allowable deduction.

At the conclusion of each financial year a letter will be sent to you providing details of the Medicare billings received on your behalf and paid over to the Local Health District under the Initiative for the previous financial year to assist with the preparation of your income tax return.

You are requested to indicate your agreement to complying with the above requirements by signing this letter. Please retain a copy and return the original to [Details].
Thank you for your participation in this important Initiative. Should you have any queries please contact [name] on [details].

Regards

Chief Executive
[Name] Local Health District

I [Name] understand the requirements of my participation as outlined above.

Signed

Dated
6.3 Attachment 3 - End of Financial Year - Medicare Information Letter

[Local Health District Letterhead]

[Participating eligible health professional or VMO details]
[Address]

Medicare provider No. : [insert]
Dear [Title] [Name]

Re: Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative (the Initiative).

As you are aware, under your participation in the COAG Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative you have agreed to pay over the Medicare benefit income assigned to you for eligible services provided under the Initiative to the [insert name of LHD] Local Health District.

An exemption has been granted for [insert exempted site name].

You have signed a Letter of Agreement with [insert name of LHD] Local Health District under which you have agreed to pay over to the Local Health District all Medicare benefits assigned to you in respect of services provided by you under the Initiative.

Medicare benefit income of $................ [Insert amount of Medicare revenue assigned by the patient to the VMO or eligible health professional] has been received on your behalf by the [insert name of LHD] Local Health District under this Initiative for the financial year of 20XX/20XX.

An amount of $....... [Insert billings that have been paid over to the LHD for the relevant financial year] has then been paid over to [insert name of LHD] Local Health District under the Initiative arrangements for the financial year of 20XX/20XX.

We note that in accordance with Australian Taxation Office income tax Class Ruling (CR 2012/20), the Medicare benefit income you have been assigned by the patient is assessable income under section 6-5 of the Income Tax Assessment Act 1997 (ITAA). You are also entitled to claim a deduction under section 8-1 of the ITAA for the billings you have paid over to [insert name of LHD] Local Health District as part of the Initiative arrangements.

You should seek advice on your own circumstances from your taxation adviser.

Thank you for your continued support of this valuable Commonwealth initiative. Should you have any queries regarding this letter please contact [insert Local Health District Finance Officer name] on [Details].
Regards

Finance Officer
[Name] Local Health District
6.4 Attachment 4 - NSW COAG S19(2) exemption application templates

Section A - Site details
For the purposes of the exemption, an ‘eligible site’ is a health facility from which services are traditionally provided by the state health authority – including hospitals and their outreach services, Multi-Purpose Services (MPS) and community clinics) located within categories 5-7 of the Modified Monash Model Classification System.

Contact details for site and other key contacts

<table>
<thead>
<tr>
<th>Name of Facility:</th>
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<tbody>
<tr>
<td>Physical Address:</td>
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<tr>
<td>Mailing Address:</td>
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<td>Phone number:</td>
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<td>Fax Number:</td>
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<thead>
<tr>
<th>Site Contact Person:</th>
<th>Tel:</th>
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<th>Email:</th>
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<tbody>
<tr>
<td>Medical Director:</td>
<td>Tel:</td>
<td>Mob:</td>
<td>Email:</td>
</tr>
<tr>
<td>Finance Contact:</td>
<td>Tel:</td>
<td>Mob:</td>
<td>Email:</td>
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<tr>
<td>Operational or Health Service Manager:</td>
<td>Tel:</td>
<td>Mob:</td>
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Other Key Contacts
*If there are any additional contacts, please attach relevant information where necessary*

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<th>Name:</th>
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<tr>
<td>Position:</td>
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<tr>
<td>Organisation:</td>
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<td>Tel:</td>
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Site Description
Please provide a description of the setting/hospital profile. Please include information regarding the size of the site, current staffing arrangements and the types of services currently provided.

For example: (please note that this is not exhaustive)
‘(Insert name of site here) is a (insert whether the site is: an MPS, Community clinic or hospital) located in MMM (insert classification number 5, 6 or 7). The facility comprises of 14 beds and has a total of 18 staff members. It provides a mix of aged care, general medical, paediatrics, obstetrics, surgical and community health services. Allied health professionals and visiting specialists visit on a regular basis. This site provides a 24 hour emergency department with medical services provided by visiting medical practitioners.’

Site Operational Model
What service types will be billed to Medicare?
‘Eligible services’ are defined in the MoU as non-admitted, non-referred professional services (including eligible nursing services) and eligible allied health and dental services.

For example:
Sessional services, on call services, after hours services, out-patients, Emergency Department (ED) presentations with primary health care needs, Diagnostic radiology and pathology related to eligible ED presentations, Approved allied health ambulatory and community based services, Approved nursing ambulatory and community based services, Outreach clinics (off hospital site) by eligible services emergency services.

Primary Health Care Practitioner details
Provide the details of each Primary Health Care Practitioner who intends to claim the Medicare rebate under this initiative.

It is a Medicare requirement that Medical Practitioners must have a separate provider number for each location at which they provide services. Only one provider number can be issued per site. If a practitioner has an existing provider number for that site then this number will be used also for claims under the exemption initiative. To apply for initial or additional provider number for Medical practitioners, eligible allied health professionals and dental services, refer to the forms available on the Medicare website: http://www.humanservices.gov.au/health-professionals/forms/?utm_id=9

Name of Primary Care Practitioners (list below)

What are the arrangements that will be used for billing and receipts of MBS rebate?
MBS rebates

Identify the breakdown of how the MBS rebate will be spent

Please provide a percentage breakdown on how the Medicare rebate will be spent? (Please note that a minimum of 70% of the total Medicare rebate must be retained by the facility for reinvestment in new and additional services at the facility). Please refer to the expenditure guide below

E.g. 90% Reinvested in the facility for additional services and Capital improvements, 10% Administration

How will the MBS rebate generated from the Initiative be used? Please tick all that apply:

- Support for locum cover
- Employing additional salaried doctors and nurses
- Employing allied health professionals
- Professional development
- Recruitment and retention incentives
- Administration costs
- Equipment to support primary care services
- Additional services to enhance primary care

Targeting services for areas such as:

If the MBS rebate is being used to establish new initiatives for the area please provide further details below?

□ Other (please provide details)

Which of these new/enhanced primary health care services will be billed against the MBS?
Expenditure Guide:
Reinvestment into the site:
- Support for locum cover
- Employing additional salaried doctors and nurses
- Employing allied health professionals
- Professional development
- Capital improvements to the site
- Equipment to support primary health care services
- Additional or enhanced services from the site (please identify the services).

Incentives
- Recruitment and retention incentives

Administration costs
- Cost associated with the administration of the Initiative.

What governance arrangements will be in place for the distribution of how the Medicare rebate will be spent?

*Please provide information about the governance committee to determine how the Medicare rebate will be expended for this site. Please include the proposed terms of reference and membership for the committee if available.*

Outline the procedures in place for the collection of data for reporting purposes to ensure effective and accurate reporting as per the MoU between the New South Wales and the Commonwealth.
Section B - Stakeholder Consultation & Endorsement
For the purpose of this application, it is necessary to consult all medical practitioners who provide services to the community and/or are materially affected by the initiative. Please also consult with all other relevant stakeholders who may be affected by the operation of the COAG s19(2) Exemptions Initiative at this site. All stakeholders must be given the opportunity to express their support or otherwise in this application, noting that establishing stakeholder support is a requirement before a s19(2) exemption can be granted to a site by the Commonwealth.

Local medical practitioners who may be materially affected by the Initiative
All persons consulted must complete a consent form - refer to Appendix A. Where a category of practitioner does not exist in the locality, please indicate N/A.

<table>
<thead>
<tr>
<th>Categories of Practitioner Consulted:</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Local General Practitioners</td>
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<td>Salaried Hospital Doctors</td>
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<tr>
<td>Contracted/Visiting Medical Practitioners</td>
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<tr>
<td>Any Aboriginal Medical Service in the Area</td>
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<td>Royal Flying Doctor Service</td>
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<tr>
<td>Other: (please list all)</td>
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</table>

Other stakeholder groups
All persons consulted must complete a consent form - refer to Appendix B. Where a category of practitioner does not exist in the locality, please indicate N/A.

<table>
<thead>
<tr>
<th>Stakeholder Groups Consulted:</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
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<tbody>
<tr>
<td>Primary Health Network</td>
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<tr>
<td>Local Community Representative eg:</td>
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<tr>
<td>Consumer Health Council, Health</td>
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<td>Community Councils</td>
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<td>Local Council representative</td>
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<tr>
<td>Other private primary health care providers, including allied health</td>
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<td>Other: (please list all)</td>
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**Note:**
- All persons consulted must complete a consent form.
- Where a category of practitioner does not exist in the locality, please indicate N/A.
Improving Access to Primary Care in Rural and Remote Areas (s19(2) Exemptions) Initiative.

AGREEMENT OF THE PARTIES

All parties agree to:

- Cooperate with the data collection and reporting processes as agreed between the New South Wales and the Commonwealth. Each operational plan should be reviewed annually, or at any other time if a party to the agreement believes that there is a need.

- Notify the Commonwealth of any relevant issues relating to General Practice that arise as a result of the implementation of the s19(2) Exemption. The following issues should be monitored locally as these may be incorporated into the next program evaluation:
  - Impact on retention of small rural hospitals and health services
  - Impact on primary health care services in all eligible locations
  - Impact on non-medical services in eligible locations
  - Impact on GPs and salaried medical officers in eligible locations, including remuneration and retention
  - Impact on private GPs using hospital facilities
  - Assessment of the additional services that assisted in recruitment and retention, e.g. locum provision.

- Implement the Initiative in accordance with the purpose, policy objectives and principles of the MoU between New South Wales and the Commonwealth.

Signatures of parties to this site agreement

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Appendix A - Consent form for primary care providers

Declarations:

Please indicate your agreement by ticking the ‘Yes’ box corresponding to each point before signing and dating below.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>I understand the context and policy objectives of the COAG s19(2) Exemptions Initiative</td>
<td></td>
<td></td>
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<tr>
<td>I understand the legislative basis of a section 19(2) exemption and the effects intended by the granting of an exemption under this initiative.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I understand that New South Wales, within which I practice, is required to seek my support before applying to the Commonwealth for a section 19(2) exemption.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I understand the implications for myself, my practice, and my patients, of a section 19(2) exemption being granted in respect of the locality within which I practice and I have sought relevant advice.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Noting the above, I give my free and informed consent for the New South Wales Government, to seek a section 19(2) exemption for the locality of (locality name)</td>
<td></td>
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</tr>
</tbody>
</table>

Name:

Occupation/Specialty:

Practice Location:

Employer:

Telephone:

Email:

Signature: ________________________________________

/   /

Issue date: March-2017
Appendix B - Consent form for relevant stakeholders (other than primary care)

Declarations:

Please indicate your agreement by ticking the ‘Yes’ box corresponding to each point before signing and dating below.

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
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<tbody>
<tr>
<td>I understand the context and policy objectives of the COAG</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>s19(2) Exemptions Initiative</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I understand the legislative basis of a section 19(2) exemption and the effects intended by the granting of an exemption under this initiative.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I understand that New South Wales, within which I practice, is required to seek my support before applying to the Commonwealth for a section 19(2) exemption.</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Noting the above, I give my free and informed consent for the New South Wales Government to seek a section 19(2) exemption for the locality of <em>(locality name)</em></td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

Name:  
Occupation/Specialty:  
Practice Location:  
Employer:  
Telephone:  
Email:  
Signature:  
____________________________________   /       /