

News update – March 2021

Posted on 12 March, 2021

Welcome to our first Newsletter of 2021. We acknowledge that this is a little over due, but like everyone else, the year to date has not been without its challenges as COVID 19 serves up some regular reminders of its continued presence. We have also been waiting in order to provide some substantive progress on our joint work programme with the Ministry of Health (DSS).

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“The best way to find yourself is to lose yourself in the service of others.” Ghandi

NZDSN/DSS Joint work programme

Towards the end of last year NZDSN and DSS began working on a joint work programme at the request of the Director General of Health. Two priority areas were identified following consultation with our members:



1. Commissioning for sustainability, flexibility and innovation
2. A workforce development strategy that includes a focus on qualification pathways and leadership development to support innovation

We have jointly developed a summary of how this work programme will unfold as part of a progress report to the Director General on March 23rd and we will forward this to you next week.

Project design for the different streams of work is well underway. Note that in relation to commissioning for sustainability – while we acknowledge the assistance percentage price increases can provide in the shorter term, addressing the ongoing and longstanding challenge of funding inequities across community residential providers is an immediate priority and is dependent on the outcome of budget bids. We are very clear that these current inequities cannot be migrated across to new commissioning models that include approaches like FDS.

It is our intention to share with you the details of the various projects involved in this joint work programme at the April Leadership Forum and then further engagement with all stakeholders in May and June.

Recent meetings with Key Ministers

We recently met with both Minister Little and Minister Sepuloni

It is significant that Minister Little has taken direct responsibility for the DSS portfolio which includes the work on System Transformation. He is aware of the concerns from the Sector about disability support remaining part of the Health system as recommended by the Health and Disability System Review. He has asked for a report to provide some more detailed work on options about where in the Machinery of Government Disability Support should sit. This report is due in September. We also highlighted and discussed our concerns about funding inequities across providers and the cumulative wage relativity impacts that will be felt as a result of the final year of the pay equity agreement.

In our meeting with Minister Sepuloni we highlighted what we referred to as a crisis in relation to access to Community Participation services brought about both by years of systemic underfunding and how providers are being faced with some stark choices about quality versus quantity. We emphasised the need for urgent action rather than just waiting for the outcome of the cost and demand project about to get underway. We also raised the impact of a volatile labour market on employment support providers cash flow challenges under an outcomes based payment system. Wage relativity issues were also raised in relation to the pay equity settlement.



Vaccination Programme

An Advisory Group is being set up to provide guidance on the roll out of vaccines to the disability workforce and to disabled people as identified priority groups prior to the roll out to the general population in the second half of this year. The group will include a wide representation including DPOs, families and providers, including NZDSN. Ray Finch from Spectrum Care has been seconded to the Ministry to oversee this work to ensure the issues and concerns of the sector are taken into account as the vaccination programme is implemented.

At this stage it is not clear exactly where disabled people and the disability workforce are placed in the roll out sequencing prior to July. There are several meetings over the next couple of working days where various representatives from the disability sector will have an opportunity to advocate and gain clarity. In the mean-time we will not be second guessing existing communications and further muddying the waters.

A myriad of matters around informed consent, accessible information, supported decision making and mobility issues will all need to be addressed to ensure disabled people and the disability workforce get prioritised and timely access to the vaccine. IHC released a timely reminder earlier this year about why people with intellectual disability, for example, need prioritised access to vaccinations.

[IHC-COVID19-Vaccine-Priority.pdf \(nzdsn.org.nz\)](#)

Covid Extra-ordinary expenses reimbursement ongoing concerns

It was recently brought to our attention that the original understanding that providers had of how these expenses would be offset against provider revenue in determining whether there would be a reimbursement was interpreted differently by the Ministry. Instead of expenses being offset against unspent revenue due to reduced service delivery as the result of COVID restrictions providers had to demonstrate an overall organisational financial deficit for the period covered.

This difference in interpretation was pursued with diligence and perseverance by IDEA Services and has resulted in a Ministry decision to provide a one-off opportunity for providers to re-submit invoices based on the original provider interpretation of the criteria that would determine if a reimbursement was due (the Ministry will be in touch soon with providers about this).

However, as pointed out to the Ministry by IDEA Services the extent to which a provider may have had an underlying deficit or surplus due to non-COVID related impacts should not have been a factor. We would all agree that providers should not be allowed to “profit” from COVID 19, however receiving a re-imburement based on a providers default financial position during the short time period involved has an



extremely variable impact across providers and may well be unrelated to the organisations actual overall financial performance for a financial year – especially given a funding environment that is contributory only.

The Ministry is only allowing providers to re-submit invoices as a one-off opportunity based on what was agreed as less than optimal communication. This leaves in place the Ministry's interpretation which poses significant future financial risk for providers given more recent COVID related events and for those that may occur in the future.

For this reason, we have formally requested an independent review of current policy settings governing COVID extra-ordinary expenses so that these matters can be more appropriately addressed in the future.

Pay Equity and the formula – The Final Countdown

As most of you will be aware we are approaching the final year of implementing the pay equity settlement. This year there will see the final instalment of the rates as stated in the legislation to take effect from July 1st and data collection for this is underway at the moment using the same process as in previous years.

The settlement makes provision for the application of a formula based on movement in the Labour Cost Index over the period covered by the settlement (2017-21) which will create a re-balancing of the wage rates stated in the legislation. The Labour cost index information for the period to 30 June 2021 will not be available until around September. This leaves a couple of options – wait until the data becomes available to determine the size of any top up and backdate payments from July 1st or make payments from July 1st based on an estimate (along with the increases already stated in the legislation) and then a subsequent wash up process. **We would be interested in your views on these options.**

It is also worth noting that the movement in the labour cost index has slowed in the last 6 months due to COVID related impacts so increases in pay rates (on top of those already stated in the legislation) may not be as high as some have estimated, but they will still be higher.

Employment Support Services Outcomes payment concerns.

We have had contact from several providers raising concerns about the financial viability of an outcomes based payments system in such a volatile labour market where there is still concern about increasing unemployment levels, particularly in some regions. With slowing placement rates maintaining cash flow is becoming a problem for some and with unintended consequences – too many enrolments and less focus on in work support meaning lower sustainable employment outcomes.



We are interested in provider experiences so we can understand the extent of the problem and compare this with the outcome data being collected by MSD

NZDSN Leadership Forum April 28 and 29 in Wellington

These forums focus on the interests of our member's chief executives, senior managers and those in Governance roles. Registrations for this forum are now open on our website:

[Upcoming Events](#)

In addition to a session with Ashley Bloomfield there will be a detailed update on the service transformation work programme (James Poskitt) and a presentation from the Humanly team on the service transformation programme for leadership teams. We will also include the details of the NZDSN/DSS joint work programme projects and how you can become involved. A further session will provide guidance and strategies around supporting staff well-being during times of crisis response and the uncertainties that this brings.

Keep an eye on the website for further details.

Banking Issues Forum

We are jointly hosting a forum at the end of March with IHC, People First and the Bankers Association to look at how we can develop a collective response to the challenges experienced by people with learning disabilities in operating personal bank accounts. Money laundering legislation and the phasing out of cheques requires new approaches and practices from all stakeholders. We have invited a small group of providers to this event who have consistently raised these matters with us over the past year or so. We will report in detail on the outcomes of this forum.

Qualification Equivalencies

Since Careerforce stopped undertaking the role of determining qualification equivalencies no other body has picked up this responsibility. This means that employers are free to determine the rate of pay for someone they employ who holds a qualification that is not on the list – the list can still be accessed on both Careerforce and MoH websites. The employer can determine to pay someone the equivalent of a level 4 rate of pay for example, based on a qualification that is not on the list but this doesn't translate as being given equivalency – it is the individual employers decision.

Note that NZQA only assesses qualifications for immigration purposes. They do not assess for pay equity equivalent.



Upcoming Training Events

Prosperit Effective Employer Engagement (3 seminars) and Prosperit “Objections clinic.” These on line programmes are running across late March through to early June.

What’s Next? Transition Workshops – These focus on collaborative effort across schools, providers and families in specific communities – coming up in Hawkes Bay and Nelson communities.

To register: [Upcoming Events](#)

Monthly National Zoom Sessions

We are continuing with our monthly Zoom meetings with our regional network coordinators. These are ideal opportunities for regional networks to connect with each other and for NZDSN to hear what’s on top for providers. If you have things that you want to have raised in these forums or want to know what has been discussed, please contact your regional coordinators:

Auckland: Mireille Vreeburg and Paul Revill

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Waikato/Bay of Plenty: Warren Herring and Samantha Lee

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Dunedin/Otago: Mike Brummitt

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Safeguarding Workshops

It was our original intention to follow up the Christchurch Safeguarding Symposium with 3 one day workshops in other regions to focus on cross agency implementation. We have learnt that one day is not enough time to do this. We intend to offer a 2 day follow up workshop in Christchurch in June to capture the momentum in this community from the earlier Symposium. We will then look at ways of making this opportunity available in other communities and regions.

Influenza Immunisation Programme

The Ministry of Health has updated its website regarding the 2021 influenza immunisation programme. The update is available here [Influenza immunisation](#)

We encourage health and disability care employers including DHBs to fund influenza immunisation programmes for their workforce.

The Ministry will also be providing funding to support influenza vaccination for health and disability sector employees, self-employed lead maternity carers and carers employed under individualised funding arrangements who:

- are not eligible for a funded vaccination under the eligibility criteria stated in the Pharmaceutical Schedule
- have patient/client contact
- have not previously been the recipient of an employer-funded influenza vaccination whilst in their current place of employment (not including one reimbursed by the Ministry of Health in 2020).

The amount claimable will be limited to actual costs incurred for influenza vaccination, as supported by appropriate documentation, to a maximum of \$35+GST per person.

Only claims submitted between 14 April and 30 June 2021 will be accepted for payment. Claims should be submitted to influenzaimmunisation@health.govt.nz. A template will be made available for download ahead of the programme start date.