Compulsory Variation to Integrated Community Pharmacy Services Agreement

BETWEEN

Health New Zealand – Te Whatu Ora

NZBN: 942905678402

AND

[Name]

[NZBN]

1 July 2024

**Contents**

**Compulsory Variation to Integrated Community Pharmacy Services Agreement**

**A: Summary ................................................................................................................................ 1**

**Background ............................................................................................................................. 1**

**A1 Interpretation ................................................................................................................... 1**

**A2 Commencement Date ...................................................................................................... 1**

**B: Changes to Agreement ....................................................................................................... 2**

**B1 Change to D.5 (Co-payments) ......................................................................................... 2**

**B2 Change to D.7 (Pharmacy charges) ............................................................................... 2**

**B3 Change to E.1 (Definitions) ............................................................................................. 2**

**B4 Changes to Schedule 3B.4 (Special Food Services) .................................................... 3**

# A: SUMMARY

**Background**

1. Health New Zealand |Te Whatu Ora (Health NZ) and the Provider are parties to the Integrated Community Pharmacy Services Agreement ("**Agreement**").
2. On 30 May 2024, the Government delivered Budget 2024, which included the reinstatement of the standard $5 prescription co-payment for Service Users from 1 July 2024.
3. To give effect to that change in law and the Budget announcement, the Agreement is varied as set out in this compulsory variation ("**Variation**").
4. This Variation is made in accordance with clause C.26 of the Agreement.

## **A1 Interpretation**

## A1.1 In this Variation, unless the context requires otherwise:

### words and expressions not otherwise defined in this Variation have the meaning given to them in the Agreement; and

### references to clauses and schedules are the clauses and schedules of the Agreement.

## **A2 Commencement Date**

## A2.1 This Variation will take effect on 1 July 2024.

# b: CHANGES TO THE AGREEMENT

**B1 Change to clause D.5**

B1.1 Clause D.5 is replaced with the following:

*“****Co-payments***

*(1) Subject to subclauses (2) and (3), the Provider may charge a Service User an amount not exceeding the relevant Co-payment determined in accordance with the Procedures Manual, the Pharmaceutical Schedule, and the Health Entitlement Cards Regulations 1993.*

*(2) The Provider may charge a Service User up to the Maximum Standard Co-payment Amount for Dispensing a Subsidised Pharmaceutical to the Service User prescribed by:*

*(a) a Prescriber employed by Health NZ;*

*(b) a provider or Prescriber with an access or service agreement with Health NZ, or a PHO;*

*(c) an after-hours provider with an access or service agreement with Health NZ or PHO; or*

*(d) a provider providing a fully publicly funded service under a Section 94 Notice.*

*(3) The Provider must not charge a Service User a Co-payment if an exemption as set out in the Procedures Manual applies,*

*(4) Unless the Dispensing of the Pharmaceutical is done as part of a Negative A3 or J3 Transaction, or an exemption set out in the Procedures Manual applies, Te Whatu Ora will calculate each payment payable to the Provider under Schedules 1 or 3 (if relevant) on the basis that the Provider collected the Maximum Standard Co-payment Amount from the Service User, whether or not the Provider collected some or all of the Maximum Standard Co-payment Amount.*

**B2 Change to clause D.7 (Pharmacy Charges)**

B2.1 Clause D.7(1) is amended by replacing “*Subject to clause D.5(2)” with “Subject to clause D.5*”*.*

**B3 Changes to clause E.1 (Definitions)**

B3.1 Clause E.1 is amended as follows:

the definition of “Co-payment” is amended by:

(i) replacing “*clause D.5(2)*” with “clause D.5; and

(ii) including the words “*and includes the Maximum Standard Co-Payment Amount*”;

the definition of “Maximum Standard Co-payment Amount” is incorporated

*“means an amount determined by Government or the Ministry of Health from time to time as being the maximum Co-payment that a Service User may be charged for Dispensing a Pharmaceutical described in clause D.5(2)”;* and

in the definition of “Negative A3 or J3 Transaction”, subclause (a) is replaced with *“the Co-payment that the Provider may charge for the Initial Item is greater than the Maximum Standard Co-payment Amount; and*”.

**B4 Change to Schedule 3B.4 (Special Food Services)**

B4.1 Clause 6.1 of Schedule 3B.4 is replaced with the following:

*“The Provider must charge a Service User only one Co-payment if the Service User receives more than one flavour of the same type of Special Food listed in the Pharmaceutical Schedule.”*