

# **Capitation-based Funding**

User Information Guide  
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# Purpose

The purpose of this User Information Guide is to provide potential users of the Capitation Based Funding (CBF) system recently developed by the Ministry of Health<sup>1</sup> with the information necessary to understand what the CBF system is, how it will operate, and what changes and/or impacts can be expected should they choose to use the system in future.

The guide is principally intended for District Health Boards (DHBs) and groups or organisations interested in becoming Primary Health Organisations<sup>2</sup> (PHOs).

The contents of this guide include:

- an overview of the CBF system and its place and functions in both the new primary health care environment and the overall CBF process
- identification of CBF stakeholders and the impacts of CBF on them
- descriptions of key CBF business and processing rules
- the minimum requirements necessary for any PHO to participate in the CBF process.

The essential purpose of the guide is to describe clearly what is necessary for **any** organisation to participate in the new CBF process. How each PHO achieves this will be dependent on them and their circumstances; however, as each emerging PHO is brought within the CBF system, the Ministry of Health intends to provide assistance as required to ensure the transition is as smooth as possible.

The following three documents provide further information on the CBF system.

- **CBF User Manual** – this document comprehensively describes how to access and use the CBF system.
- **HL7 Messaging Specification** – this document describes the specific fields and formatting requirements for individual registers.
- **CBF Business Rules** – this document provides an overview of the key business rules used by the CBF system.

<sup>1</sup> The Ministry of Health developed CBF in conjunction with HealthPAC, the New Zealand Health Information Service, Critchlow Associates and practice management system vendors.

<sup>2</sup> While it is noted that Primary Care Organisations (PHOs) may elect to be funded in future using CBF, the User Information Guide focuses on PHOs as the main provider structure expected to use CBF in the new primary health care environment commencing on 1 July 2002.

# Introduction

The vision of the Government's Primary Health Care Strategy is to provide health services that produce better population health outcomes while reducing health inequalities between different groups.

The strategy's aim is to improve health outcomes by:

- requiring services to be organised around defined populations
- increasing participation by people within communities
- organising and delivering services in ways that reflect community needs and priorities, not just providers
- directly linking provider funding to population health needs and care.

The organisational centre of this new population-based approach to primary health care provision is the Primary Health Organisation, which by design and operation, is expected to better understand and meet the needs of its constituent populations. From 1 July 2002 District Health Boards nationwide are able to nominate and work with communities and providers to form PHOs.

This new PHO-led, population-based approach to primary health care provision will focus on maintaining, restoring and improving people's health using funding allocated fairly according to the needs of the population served. The population-based funding system is described in this guide. Capitation-based funding is the Ministry of Health's system for linking funding to population health needs and thereby pursuing the primary health care vision.

# Capitation-based Funding System

## What is CBF?

CBF is **both** an information technology system and a supporting process for funding PHOs on a capitated basis. The Ministry of Health, through HealthPAC, operates the information technology system, with individual stakeholders participating in the overall process (see Figure 1).

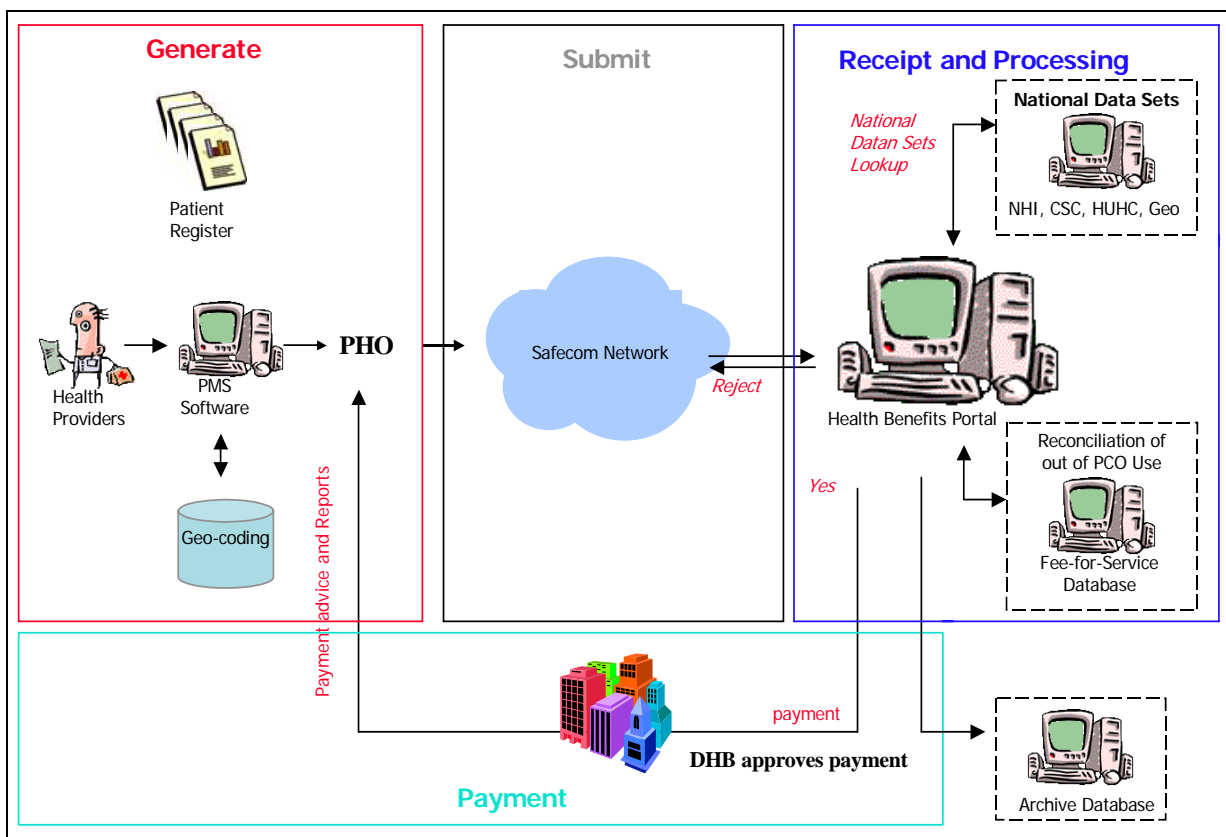
Under CBF a PHO is required to collect from member practices individual information derived from people who have chosen to enrol with the PHO as their primary health care provider. The collected information must meet contractually agreed (with the relevant DHB) specifications, including mandatory elements and the use of specific formats.

Once collected, the PHO is required to collate the information into a single electronic document for sending to HealthPAC via a secure virtual private network (VPN) called the Health Intranet. Within HealthPAC, the collated information will be analysed, verified and the PHO's capitation payment calculated. Subject to relevant DHB approval, a capitation payment will then be paid into the PHO's bank account in monthly instalments.

Finally, the processed individual information is returned to the PHO, which returns this information to member practices. In addition to receiving capitated payments, PHOs will receive detailed and summary payment reports, as well as other reports on various aspects of their submitted registers.

This cycle is repeated every three months.

**Figure 1:** Capitation-based funding process



## Role of key participants

The following summarises the role and interrelationships of the key participants in the CBF process:

### a. PHO practices

- i. Enrol individuals within their PHO organisation as the individual's primary health care provider.
- ii. Send a specially defined list of variables relating to their enrolled individuals to the PHO organisation (see b(i)).
- iii. Receive back from the PHO their originally communicated register but with elements added and/or corrected (see b(vii)).
- iv. Incorporate the returned information into their practice management systems.

**b. Primary Health Organisations**

- i. Receive from member practices a specially defined list of variables relating to their enrolled individuals (see a(ii)).
- ii. Create an aggregated list of specially defined variables that covers all individuals enrolled in member practices.
- iii. Transmit the aggregated list of enrolled individual data to HealthPAC (see c(i)).
- iv. Handle CBF-related requests and interactions with HealthPAC (see c(ii)).
- v. Receive capitation payments and reports from HealthPAC (see c(iv)).
- vi. Receive aggregated practice registers from HealthPAC (see c(iv)).
- vii. Return individual registers to member practices (see a(iii)).

**c. HealthPAC**

- i. Receives from PHOs an aggregated list of enrolled individual information (see b(iii)).
- ii. Processes the submitted information, including validating and/or adding key individual information where required, ie, NHI, CSC, HUHC and geocode data (see b(iv)).
- iii. Derives and pays PHO capitation payments, unless DHB authorisation has been withdrawn (see d(ii)).
- iv. Returns processed individual information to PHOs, together with capitation payment and other reports (see b(v)).

**d. District Health Boards**

- i. Approve and contract for the creation of PHOs.
- ii. Receive capitation payment and other reports from HealthPAC and, unless specifically withholding approval, approve payment (c(iii)).

# Using Capitation-based Funding

## PHO practices

PHO member practices are the primary gatherers of individual information under the CBF system. As such they are responsible for ensuring the information collected is both complete and accurate. However, as member practices are also the front-line of the health system, the Ministry of Health has ensured as far as possible, that compliance with the data collection requirements of CBF is as painless as possible.

## Enrolling individuals

Enrolment is the first step in developing a practice register. Through the enrolment process a practice (and PHO) identifies the people whose health and continued care will be their responsibility.

The process of enrolment is the subject of a separate information manual. However, for the purposes of CBF, it is noted here that the process of capturing information on enrolled individuals is essentially the same as the process undertaken when developing a practice register.

Under CBF, as a individual enrolls with a health care provider, their relevant personal information is entered into the provider's practice management system. The usual personal, demographic and entitlement-related information currently collected and/or required (eg, address, age, gender, ethnicity, NHI and so on) is captured as part of the enrolment process.

## Geocoding

In addition to the usual personal data collected and stored in most practice management systems, the Ministry of Health, in association with practice management system vendors, has arranged for those systems to store and produce information specifically designed to enhance the capitation-based funding system. For example, most practice management systems<sup>3</sup> products now include a geocoding<sup>4</sup> function that is designed, amongst other things, to enhance the accuracy of location-related variables, which will impact on individual health needs assessment and funding entitlement calculations.

<sup>3</sup> Currently MedTech32 (Health technology), Profile for PCs (IntraHealth), and VIP2000 (Houston Medical).

<sup>4</sup> Geocoding involves assigning a specific latitude and longitude relating to a particular geographical location (ie, address) on the surface of the Earth.

During the enrolment process the individual's street address is collected and automatically geocoded by the practice management system. Using this information, the system derives the individual's specific meshblock,<sup>5</sup> which in turn enables the identification of the NZDep2001 variable associated with the individual's address. **This data is vital to calculating correct capitation payments and it is therefore very important that geocoding takes place at the point of individual contact.**<sup>6</sup>

Experience has shown that geocoding done subsequent to individual contact results in significantly less reliable information. While a individual is in front of provider staff, all errors and/or ambiguities concerning their address can be quickly identified and corrected.

From time to time, the geocodes contained within the practice management system will require updating<sup>7</sup> at the practice level (eg, as new streets are developed and new houses are built). It is envisaged that quarterly updates to the geocoding database will therefore occur.

Each practice or PHO which is using a practice management system with point of contact geocoding must sign a licence with Critchlow Associates, the third party vendor that developed this software and maintains the geocoding database. The licence requires that the end user use the product for its intended purpose (ie, point of contact geocoding within the PMS application) and not attempt to use the product for any other purpose. Breach of this licence could result in legal action against the end user.

The Ministry of Health has paid for the costs of the integration of the geocoding database (GeoStan) into the PMS systems.<sup>8</sup>

### **Sending individual information to the PHO**

In addition to geocoding, compliant practice management systems are automatically able to extract enrolled individual information for electronic transmission to PHOs in a manner consistent with the structure and format<sup>9</sup> in which HealthPAC ultimately needs to receive the data. This means that information sourced directly from practices using a compliant practice management system will require minimal processing once received by the PHO.

<sup>5</sup> Statistics New Zealand geographic area used for defining Census of Population and Dwelling variables.

<sup>6</sup> As noted later in this document, the CBF process also includes batch geocoding after the PHO register is received by HealthPAC.

<sup>7</sup> Unless there is ambiguity in an address collected, the geocoding process is invisible to the user. Where ambiguity does occur, the systems are designed to produce a simple checklist of alternatives, prompting the user to query the individual further.

<sup>8</sup> PMS vendors should not charge any extra for the costs associated with the geocoding changes or other changes related to securing CBF-compliant systems, unless they decide to upgrade to a different PMS product.

<sup>9</sup> HealthPAC has designed the CBF system around the HL7 messaging standard: a protocol defining the nature and format of variables it expects to receive and the type of information required for internal processing.

Although each compliant practice management system is capable of producing register information in the required structure and format, the actual steps for initiating this function vary from system to system. Users must therefore consult their practice management system vendor for further information.

It is important to note that PHOs are responsible for ensuring that all individual data is transmitted to them via secure means, whether physical (eg, couriered diskette) or electronic (eg, secure network). Specific arrangements however, are left to PHOs to prescribe.

### **Receiving updated individual information**

Once a practice register is submitted to the PHO, from the member practice's point of view, nothing further happens to it until after the PHO has submitted its aggregated PHO register to HealthPAC.

Upon receiving a PHO's register, the HealthPAC CBF system verifies the register's content against both HealthPAC and New Zealand Health Information Service (NZHIS) data sources. National Health Index (NHI) information is checked against NZHIS's system for same-person duplicate values. Information relating to Community Services Card or High User Health Card entitlements is checked against HealthPAC's updated data sources. The individual's geocode is also checked against a national geocoding database. Once this process is completed, the information is eventually returned to the PHO, which then returns it to the individual practices from which it was initially collected.

### **Incorporating updated individual information into practice registers**

Another function included in recently updated practice management systems enables returned individual information to be automatically uploaded back into a practice's individual register. Again, the actual uploading steps and/or mechanisms for initiating this function vary from system to system and users will need to consult their practice management system vendor.

## **Primary Health Organisations**

Primary Health Organisations play a centrally important role in the overall CBF process. PHOs receive, aggregate, de-duplicate and transmit their enrolled individual register, ensuring its compliance with the messaging standards required by HealthPAC for processing purposes. PHOs are required to respond to any error messages and/or information requests that occur during the register's processing by HealthPAC. PHOs also receive capitation payments on behalf of their members, together with all reporting information generated in the process. Finally, PHOs are responsible for disaggregating the individual information returned by HealthPAC and ensuring that it is correctly uploaded into their members' practice management systems.

## Receiving practice registers

PHOs are responsible for making sure that adequate business protocols, practices and systems are in place between member practices and the PHO to ensure the secure and reliable transmission of practice registers between them.

As outlined in the previous sections, functionality has been incorporated into practice management systems enabling practices to extract and transmit enrolled individual information to PHOs in a manner consistent with the structure and format in which HealthPAC needs to receive the information.

## Compiling the aggregated PHO register

Before transmitting enrolled individual information to HealthPAC for processing and payment, PHOs must compile individual member practice registers into a single electronic document that complies with the requirements of the HL7 messaging standard.

## What information is required for collection?

Both mandatory and optional data elements are included in a PHO register. The absence of **any** mandatory information from a PHO register, however, will produce an error message. In some cases, an error will result in rejection of the register (in part or in its entirety) resulting in the register being returned to the PHO from HealthPAC for corrective action.

The mandatory PHO individual register data elements required under CBF are:

- **At a personal level:**

- Date of birth
- Ethnic group
- Gender
- Individual ID (internal ID)
- Individual name
- Date of enrolment
- Registration status

- **At an organisational level:**

- Organisation ID
- Organisation name
- Contract number
- Practice ID
- Payment period
- Total affiliated practices
- Total registered individuals
- Practice name

In addition, the following elements should be supplied to meet minimum thresholds and to improve the accuracy of data matching.

- **Individual residential address:** At least 80 percent of individual records in a PHO register must have residential addresses.
- **NHI number:** Under current PHO contracts, at least 70 percent of individual records must include an NHI. This will be reflected in the PHO contract and will be increased over time.

- **Community Service Card:** Card numbers and expiry dates for these cards are mandatory, if applicable.
- **High User Health Card.**

### **How does a PHO collect this information?**

The Ministry of Health has worked with practice management system vendors to develop versions of their software that produce outputs conforming to the HL7 messaging format.

For PHOs and member practices using compliant practice management systems, the process of register collation should be virtually free of manual manipulation of the data collected from member practices. To further aid PHOs, three companies<sup>10</sup> have developed software that imports, aggregates and exports CBF-compliant HL7 files to HealthPAC.

Additional PHO-level information (for example, the organisation's details, or the message header or register type) will be supplied to each PHO as part of the scheduling of data for initial submission to HealthPAC.

### **Transmission of the PHO register to HealthPAC**

PHO registers must be sent in quarterly, one month prior to the beginning of the next payment period. Once collated, aggregated PHO registers are transmitted to HealthPAC using a clearly prescribed process.

A PHO **must have** the following to access the CBF system:

- a computer that meets the PHO's practice management system vendor's minimum specifications
- a modem (minimum data speed of 56 kilobits per second (kbps)) and Internet connection
- an Internet browser that supports Java and 128-bit encryption (eg, Explorer 5.5)
- access to the Health Intranet (with user ID and password)
- an electronic mailbox within HealthPAC's system (with user ID and password).

### **Information technology requirements**

The only specific requirement for PHO computer equipment is that it can operate an HL7-compliant version of their practice management system, hence the need for PHOs to consult their system vendors for any further information on specific hardware requirements.

<sup>10</sup> Health Technology (LinkTech), Intrahealth (InSync) and CG Computing of Wellington.

Electronic data transmission requires a modem. While modems with data speeds lower than 56 kilobits per second (kbps) may suffice for CBF purposes, lower speeds significantly increase the likelihood of data transmission problems. As far as possible, therefore, PHOs should seek to use equipment enabling data speeds of **at least** 56 kbps.

Internet browsers that support Java and 128-bit encryption are Internet Explorer versions 5.5 or later and Netscape Navigator versions 4.73 or later. For other browsers, PHOs will need to consult relevant software vendors.

### **Accessing the Health Intranet**

The Health Intranet is a controlled, secure, virtual private network established for the purpose of ensuring safe transmission of health sector data. PHOs are required to use this network to access the HealthPAC CBF system.

To use the Health Intranet, PHOs need a 'digital passport' or digital certificate, known as a HealthCert. This allows them to take part in the exchange of, and gain access to, individually identifiable clinical information via the Intranet.

Because a HealthCert enables access to highly sensitive, identifiable personal information, the application process is extensive and very carefully monitored. For example, all HealthCert applications must be completed by the CEO or managing partner of an applying organisation and involve the provision of several kinds of personal identification.

To obtain a HealthCert, contact the New Zealand Health & Disability Sector Registration Authority (NZHSRA) via email at [registrations@nzhsra.co.nz](mailto:registrations@nzhsra.co.nz) or on 0800 117 590. Once a PHO's application has been checked and approved, the HealthCert will be delivered on CD-ROM (or diskette if required) with installation instructions that will include the PHO's user ID and password. Once installed on the PHO's system, the HealthCert will enable the PHO to gain access to the Health Intranet.

### **The PHO/DHB mailbox**

The PHO/DHB mailbox is a facility provided by HealthPAC to enable the direct loading of registers into the CBF system – as well as the retrieval of processed registers and related reports – by a PHO user. With access available via the HealthPAC website/portal, PHO/DHB users who have been set up with a mailbox, user ID and password, are able to send and retrieve files to and from their mailbox over the Health Intranet.

Once a submitted register is lodged in a PHO's mailbox, it is then transferred into the CBF system for processing and a message acknowledging receipt of the register is returned to the PHO mailbox. Reports and a buyer-created tax invoice (BCTI) are also eventually placed in the PHO mailbox.

## Prepayment interactions with HealthPAC

PHO registers submitted to HealthPAC are first checked for CBF system compatibility in terms of the HL7 message format and structure. Following this high-level validity check, individual register data elements are progressively checked and reported against. PHOs are the entity that HealthPAC primarily reports to and engages with, if required, as a consequence of any of these checks and reports.

All information relating to the status or outcome of processing a PHO's register, together with any reports and/or returned data, are placed in a PHO's mailbox within HealthPAC's system. PHOs are then able to access directly, and/or respond to, such reports and messages.

## Acknowledgement messages

**Every** PHO register received by HealthPAC automatically returns an acknowledgement message (ie, either accept, error or reject) to the PHO's mailbox, informing them of the status of the register.

An accept acknowledgement means that the submitted information has been successfully read into the CBF system and nothing further is required by the PHO.

An error acknowledgement indicates that the register contains an error that invalidates only part of the file; for example, a mandatory data element is missing or invalid.

A reject message means that, for some reason, an entire register cannot be processed. This could occur when:

- the text file is either corrupt or the HL7 syntax is unrecognisable
- the file is in an incorrect file format
- there is missing or invalid mandatory data in the message header, PHO details or register type segments
- the NHI or address percentage thresholds are not met.

Once a reject message is sent to a PHO mailbox, corrected files must be resubmitted by the PHO **within three business days** from the original register submission time or be ignored by the CBF system. It is not expected that PHOs will be required to resubmit information if they receive an error message for an individual field (eg, missing date of birth). PHOs will also have reports delivered to their mailbox summarising errors and message receipts.

## Capitation reports

When all individual record validations have been completed, a number of validation, register content and payment reports are automatically deposited into a PHO's mailbox in both detailed and summary format.<sup>11</sup>

<sup>11</sup> For further information on the full range of reports produced by the CBF system, see Appendix 3.

Finally, whenever a payment is made, a buyer-created tax invoice is also automatically deposited into a PHO's mailbox. The PHO will receive a different buyer-created tax invoice for each DHB making payment.

### **Receiving post-payment registers from HealthPAC**

Once a PHO's register has been processed by HealthPAC's CBF system, the processed register, complete with any additions or alterations that have resulted from the validation process, is made available to the PHO via their HealthPAC mailbox. Using the same process used in the initial upload to HealthPAC, the PHO may then download the information from their mailbox onto their local systems.

### **Returning member practice registers**

The complete individual register, including information that is altered through the CBF process, will be returned to a PHO's member practices for populating their local registers. The mechanisms behind this process are specific to the practice management systems chosen by the member practices. All compliant system vendors have indicated that their systems incorporate this functionality.

### **HealthPAC**

HealthPAC undertakes and manages the core processing and payment functions of the overall CBF system and process, namely:

- receives enrolled individual information from PHOs, and works with them to resolve any HL7 messaging errors
- verifies the accuracy of submitted information against the New Zealand Health Information Service and Critchlow Associates databases
- validates, amends or adds Community Services Card information, High User Health Card information and the individual's National Health Identifier information from HealthPAC or NZHIS data sources
- calculates a PHO's capitation payment, including any variations that may result from fee-for-service deductions
- makes payment and returns updated individual information and various reports to the PHO upon successful completion of the CBF process.

Although most of the above CBF functions have already been described in this guide, the following sections detail each specifically from the perspective of HealthPAC.

### **Receiving PHO registers**

As described in preceding sections, HealthPAC receives PHO individual information via the direct submission of registers to the PHO's mailbox within the CBF system.

## Capitation information cleansing process

As a part of the transition to CBF, when a PHO is first scheduled to begin the CBF process, its individual information will be subjected to a capitation information cleansing process (CIC): an intensive, sometimes manual, analysis of the PHO's aggregate register. The cleansing process is designed to find and correct, as much as possible, any data errors around the NHI, CSC and HUHC, as well as the individual's address.

New PHOs will be able to begin the cleansing process at any time (ie, they will not need to wait for the beginning of a new payment cycle). Registers are submitted to HealthPAC via the PHO mailbox as previously described; however, following completion of the data cleansing process, the PHO register is returned to the PHO for reincorporating back into practice registers until the beginning of the next payment cycle. One month prior to the beginning of the next payment cycle, PHOs will re-collect and collate the now 'cleansed' practice registers for submission to HealthPAC as per the usual CBF payment processing cycle.

The remainder of this section describes what HealthPAC specifically does during a CBF processing cycle.

## Processing PHO registers

The processing of a register begins with the loading of a zipped<sup>12</sup> HL7 text file into a PHO's HealthPAC mailbox. Acknowledgements, reports and invoices are generated by HealthPAC at different points along the processing cycle to inform the PHO of the status of their register within the processing system.

## Parsing and cleaning individual registers

Once an individual register enters the CBF system it is archived for auditing purposes, then parsed by the system to extract the variables from their HL7 format. In the process the system derives a summary report for each register that is returned to the PHO mailbox. Each summary report identifies the number of practices successfully loaded and/or rejected, the number of providers successfully loaded and/or rejected and the number of individuals successfully loaded and/or rejected.

## Errors and rejection

After entering the CBF environment, each register is checked against the requirements of the HL7 format. The system also checks for duplicate individual records within a single PHO's register. If duplicates occur, the individual is assigned to the provider with the latest date of individual contact in accordance with the CBF business rules.<sup>13</sup>

<sup>12</sup> All registers submitted to HealthPAC must be 'zipped' or compressed using WinZip software. The CBF User Manual includes detailed instructions for performing this function.

<sup>13</sup> Business Rule 3.2.2.4, 'Business Rules: Capitation Based Funding', version 3.2.

A register is rejected if any of the following events occur.

- The message header segment is missing or there are invalid mandatory fields.
- The register is not received at least one month before first day of payment quarter.
- Less than 80 percent of line one in the residential address fields is populated.
- Less than 70 percent of NHI fields are populated.

Partial rejection of some elements of the register may occur. Missing or invalid mandatory fields in either of the practice details segment or the provider segment will result in the rejection of all individual registers for that practice or provider respectively.

If a individual identification or individual register segment contains missing or invalid mandatory data, or the last date of individual contact is more than three years prior to date of register extract, then the individual record will likewise be rejected. In the event of an error, error messages are returned to the PHO's mailbox and the PHO has three business days to resubmit a register before the validations begin.

Practice registers that conform to the above requirements are flagged as clean and complete and proceed into the validation stage.

### **Resubmitted registers**

In the event of a rejection error being found in a register, a PHO has three business days from the time the first register was sent to HealthPAC to resubmit a corrected version. After this period, any resubmitted register will automatically produce an error message informing the PHO that the submission time has elapsed and the resubmitted register will not be processed.

If the resubmitted register itself contains an error, the PHO may resubmit a subsequent register to HealthPAC so long as the three-day period relating to the initial register has not elapsed.

After the three-day period has elapsed, the CBF system marks the last received register as 'clean and incomplete' and this register continues into the validation stage.

### **Validating the National Health Identifier**

Unless unchanged since the previous quarter, a individual's National Health Identifier will be validated by NZHIS as part of the CBF process.

For each individual record requiring validation, NZHIS will validate the NHI against their own database using the submitted register NHI, surname, given names, alternative names, date of birth, gender, ethnicity and residential address.

If a PHO's NHI differs from NZHIS's primary NHI, NZHIS's primary NHI will be held in a separate field and used throughout HealthPAC's validation process. The primary NHI will also be included in messages and reports sent back to the PHO.

If, when the NHI is verified at NZHIS, a date of individual death is returned, the date of death will be included in a report sent back to the PHO. The individual is not removed from this quarter's register, but will be removed in the subsequent and following quarters.

### **Validating a Community Services Card**

A individual's CSC data is validated if their card has not been declined or cancelled and its number has an exact match with information received daily from WINZ. If an exact match is not found, the system queries whether the individual can validly hold a CSC as a dependant.

If a CSC number is found in HealthPAC's reference database, but its expiry date is more than four months prior to date of register submission or the card has been declined or cancelled, then the CBF system returns an error to the PHO that the CSC is no longer valid and the individual is classed as a non-CSC holder. Similarly, where a CSC number is not found, an error message is returned to the PHO that no CSC number exists for this individual and the individual is recorded as a non-CSC holder.

Where a name match<sup>14</sup> occurs with the WINZ CSC database, the WINZ data is used to populate the practice register if the information is not already present. The results of any changes from this validation will be reported back to the PHO.

### **Assigning geocodes**

Rolling out CBF to the sector has involved incorporating geocoding within practice management systems to enable geocoding to occur at the point of individual contact.

However, for existing individuals already in practice registers, their address information will need to be assigned an initial geocode.

To achieve this, a batch geocoding process has been incorporated into HealthPAC's systems with the assistance of Critchlow Associates. This process will consist of the following.

- Initially, a PHO register will be batch coded with the aim of assigning a residential geocode to at least 60–80 percent of the register.
- Geocoding will then occur on a quarterly basis for each record of a PHO's register that has not been geocoded through the point of contact process or the initial batch process.
- A quarterly validation of geocode assignments for changes of individual address will occur. This process will occur only if a previously validated individual record has its address altered.

<sup>14</sup> Matching by name will not be as accurate as matching by CSC number because of name misspellings. Hence, where possible, PHOs are encouraged to provide CSC numbers where they are known.

## Batch geocoding process

There are two objectives behind CBF geocoding.

- Accurately assigning a NZDep2001 score to a individual record to be used in funding formulae.
- Assigning the individual record to a DHB for attribution of government funding.

Batch geocoding begins with HealthPAC creating a file<sup>15</sup> from a submitted PHO register and submitting the same to Critchlows for validation and/or data population.

Using the address information from the practice registers, Critchlows attempts to geocode on 'address' (address 1 or 2) to get a defined geocoded address. If a match is not possible at this level, a match is then attempted on 'place', which usually relates to a suburb.

If an address match could not be achieved, and a place match is given, a DHB is assigned according to the individual place. If a DHB is not returned, HealthPAC will assign the lead DHB of the PHO contract from CMS to the record. Alternatively, where no quintile is returned a quintile of '1' is assigned to the record.

With respect to funding formulae, an NZDep2001 value is assigned based on the match of the person's street address only. If a street address match does not occur, the person is assigned a '0' deprivation score.<sup>16</sup>

## Validating a High User Health Card

Where a High User Health Card (HUHC) number is contained in a practice register, its information is validated using HealthPAC's HUHC reference data.

Validation of the HUHC register details requires the individual register HUHC number to match exactly the card number of a non-declined, non-cancelled and valid card contained within HealthPAC's reference database. In addition, the NHI of HUHC holders must match the NHI on the HUHC reference database. If an NHI is not present, the CBF system attempts to match the date of birth and gender on the individual register with the same fields in the HUHC reference database.

In order to be a valid HUHC for CBF purposes, the card's expiry date should be less than one month prior to the date of the register's submission and the card must not be cancelled or declined. Where a HUHC number is found with an expiry date of more than one month prior to the date of register submission or the card has been cancelled or declined, an error message is returned to the PHO that the HUHC is no longer valid, and the individual is classed as a non-HUHC holder.

<sup>15</sup> Appendix 2 provides an example of the content and format information required for geocoding purposes, relating the information required for geocoding to information required for addressing a letter.

<sup>16</sup> The funding formulae are based on NZDep2001 quintiles, where 1 is equal to deciles 1 and 2 (ie, the most well off).

## Duplicate matching

After each register has been cleansed, its data validated for accuracy and the register validated against business rules, the CBF system checks for duplicate individuals across all PHO registers. An initial duplication check within a single PHO register is undertaken after the register has been parsed into the system.

Duplicate records may be on the registers of providers within PHOs, on providers of different PHOs or on providers who are not part of a PHO and those that are. Where duplicates occur, the following rules apply:

- a) Where a duplicate involves two or more PHOs where the PHOs have recorded a person as registered (the registration status boxes are marked 'R'), the person's record is assigned to the PHO with the most recent date of last consultation. If the date of last consultation on one PHO register is blank, the PHO with the date of last consultation completed will be assigned the person. If the dates of last consultation are the same (or both/all blank), the person is assigned to the organisation with the most recent date of registration.
- b) Where a duplicate involves two or more PHOs where both PHOs have recorded a person as enrolled (the registration status boxes are marked 'E'), the person's record is assigned to the PHO with the most recent date of enrolment. If the dates of enrolment are the same, the person is assigned to the organisation with the most recent date of last consultation. If the date of the last consultation on one PHO register is blank, the PHO with the date of last consultation completed will be assigned the individual.
- c) Where the duplicate involves two or more PHOs where one organisation has recorded the person as enrolled (the registration status box is marked as 'E') and the other organisation(s) has recorded the person as registered (the registration status box is marked as 'R'), the person's record is assigned to the PHO where the person is enrolled. The CBF system will create a duplicate error message for any matching record that belongs to another provider register.

Unassigned duplicates are removed from registers before payment calculation.

## Fee-for-service wash-up

Fee-for-service matching is performed within the period that fee-for-service claims are processed. HealthPAC's system continuously polls its GMS fee-for-service claims system for approved paid claims that occur within the CBF calculation period. For approved fee-for-service claims details, the individual ID (claimed NHI), their primary NHI (NHI matched with CBF details), the date of service and the amount paid are extracted from the GMS system. Based on this information, each GMS claim is then checked for a matching individual primary NHI record within the CBF system.

Where a paid fee-for-service's claimed NHI matches an NHI in the CBF system, and the date of the fee for service corresponds with the CBF calculation period, the fee-for-service details are logged in the CBF system.

Fee-for-service claims can be submitted up to six months after the date of service. As a result, a 'wash up' process is applicable for six months and one day after a CBF

payment period. Deductible amounts are calculated on a monthly basis and applied to each payment and a fee-for-service wash-up report returned to the PHO.

Appendix 1 provides a timeline that illustrates the relationship between the wash-up period and the capitation payment period.

## Adjustments

In addition to fee-for-service adjustments, the CBF system also allows for other adjustments. Possible reasons for adjustments include:

- if a PHO does not submit part or all of its register on time, for that part of its register that is not submitted on time it will be paid based on the amount received during the previous payment month less a penalty (up to 10% if the Lead DHB determine the omission is due to the PHO; up to 5% if the Lead DHB determine the PHO is only partially responsible for the omission; no deduction if the DHB determine that the omission is not the fault of the PHO). Payment for that part of the register submitted on time will be the capitation amount due under the standard Capitation Based Funding rules.
- if a PHO submits a register with missing data (eg, a practice is missing), the DHB can decide to include this register for processing along with an adjustment for the missing data. A wash-up should occur once the missing data is provided at the next payment quarter
- if a PHO does not comply with other elements of its contract with the DHB (eg, failure to supply performance-monitoring data), the DHB can make an adjustment to the payment.

## Calculating payment

Once a register is cleaned and its data validated, it is marked as ready for payment calculation. The quantum of a individual's capitation payment value is dependent on their subcategory classification, which relates to the individual's demographics. The demographics components used for assessing a individual's subcategory are their age group, their gender, their CSC and/or HUHC status, their ethnicity and their deprivation quintile.

Based on the individual's subcategory, the CBF system will calculate a payment by assigning a payable value for both GMS and practice nurse according to the PHO's default formula.<sup>17</sup> A PHO's total register value represents the sum of the individual values associated with their registered individuals. The CBF system will apply any outstanding fee-for-service wash-up or adjustment amounts applicable to the PHO when determining the quarter's total payable payment value.

A report detailing amounts to be paid to each PHO will be generated and placed in each applicable DHB's mailbox five days before payment is due. Within this time, the PHO's

<sup>17</sup> Details of the funding formula and the applicable rates will be contained in a separate information manual. The funding manual will also describe other services (beyond GMS and PNS) that will be paid under capitation.

DHB can order that a payment be held back. Unless HealthPAC is notified by the relevant DHB within this time, the PHO's calculated amount would be marked as 'ready for payment'.

### **Paying Primary Health Organisations**

A PHO's calculated payment is reported to the relevant DHB five days before payment is due. After this five-day period, payment is submitted to the HealthPAC payment system (Deskbank) and payment reports and a buyer-created tax invoice are sent to the PHO's mailbox.

Payments will occur on the 15th (or next business day) of each month during a quarter and are comprised of any outstanding balance payable, one-third of register value for the quarter's payment, any unpaid fee-for-service wash-up adjustment and any other unpaid adjustments. One-third of a PHO's total quarterly capitation register value is paid on each of the three payment dates during the quarter.

### **Payment reports**

Pre-payment, summary and detail reports will be produced and deposited into DHB mailboxes five days in advance of any payment. All reports should include a report reference for future retrieval and a date/time stamp of report generation. The summary report requires the following details:

- payment due date
- total amount due (to all PHOs paid by the DHB)
- PHO's name and amount due (by PHO).

The pre-payment report provides a forecast of the amount to be paid but may differ from the actual amount paid if adjustments are made after the pre-payment report was prepared.

The detail report should include the following the information:

- payment due date
- total amount due
- PHO's name and amount due
- a breakdown of the amounts in a PHO's total payment (eg, balance, register amount, adjustments, fee-for-service wash-ups)
- a note indicating that final payment may differ from this amount due to further adjustments.

### **Buyer-created tax invoices**

For each payment, the CBF system will produce a buyer-created tax invoice to be sent to each PHO that complies with IRD's buyer-created tax invoice requirements. The buyer-created tax invoice will be deposited into the PHO's mailbox.

## **Returning post-payment registers and reports to Primary Health Organisations**

Post-payment registers are finally submitted to the relevant PHO's mailbox along with a number of reports. These are directly accessed by PHOs. In addition, a number of DHB-specific reports are also generated by CBF and placed within the DHB's mailbox.

Appendix 3 contains a full, tabulated description of all reports generated by the CBF system at each stage of the process.

## **District Health Boards**

The New Zealand Public Health and Disability Act 2000 established 21 District Health Boards and gave them overall responsibility for assessing the health and disability needs of communities in their regions and for managing resources and service delivery to best meet those needs. District Health Boards will work with Primary Health Organisations to achieve the health goals of the Primary Health Care Strategy locally. District Health Boards are also responsible for establishing service agreements with PHOs and monitoring PHO performance.

## **District Health Board Approval of Primary Health Organisations**

District Health Boards are working with local provider and community groups to assist in the formation of PHOs. A DHB will approve a PHO when it meets all requirements as defined in the PHO service specifications. These requirements encompass mandatory services, reporting requirements, enrolment processes and CBF processes (as described in this document).

Once the DHB has determined that an organisation is ready to become a PHO, the DHB requests a PHO contract from HealthPAC's Dunedin office. HealthPAC Dunedin sets up the provider and contract details in its Contract Management System and sends a draft contract to the DHB. If a PHO is a new legal entity, these details also must be supplied to HealthPAC Dunedin. Certain organisation details (Perorg ID, contract number and payee number) must be transmitted to the PHO for inclusion in the HL7 register.

## **District Health Board/HealthPAC derived reporting**

DHB reporting consists of a fee-for-service deductions report and quarterly DHB/national/region capitation reports.

The fee-for-service reports contain a count of the fee-for-service payments by GMS individual categories that have been deducted from PHOs in a particular DHB. The minimum data contained is:

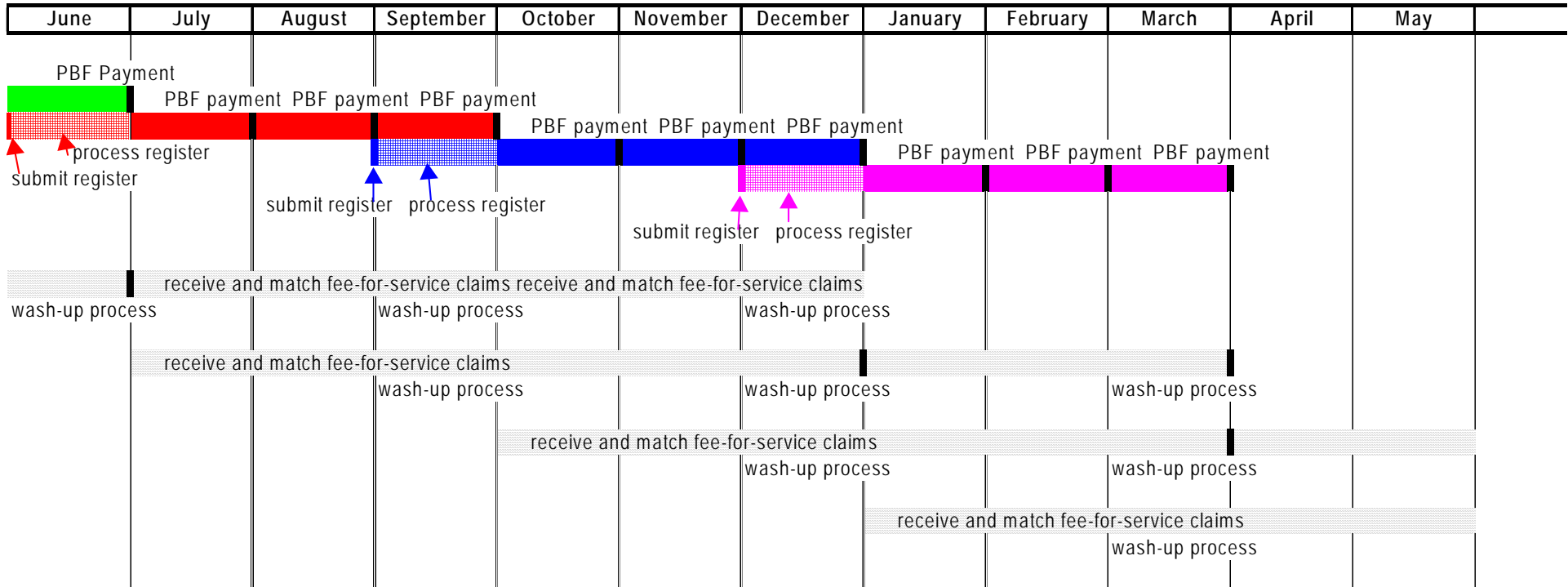
- DHB name and abbreviation
- PHO name and ID
- register ID
- payment period
- each individual category with a count of that PHO's registered individuals for whom a fee-for-service claim was paid and whose date of service is inside the applicable payment quarter.

Quarterly reporting consists of reports detailing each DHB's data in each payment quarter, namely:

- a count of individuals within each individual category
- the value of individual category
- the total paid per individual category
- the total paid over all individual categories.

These reports are available for varying levels of DHB aggregation, ranging from an individual DHB level into both national total and regional totals. For the regional analysis, additional summary statistics (eg, number of individuals by assigned lead DHB) is derived. The regional assignment is dependent on the individual's DHB.

# Appendix 1: Fee-for-service Wash-up Timeline



## Appendix 2: Address Formatting

The following text and first three columns of the table are extracted from the HL7 document definition for the Capitated Funding Project.

To allow for transmission of NHI address data, address type and New Zealand domicile code, the AD data type has been increased in size from 106 characters to a maximum length of 180 characters in all message segments.

Sub component	New Zealand usage	Notes	
<street address> ^	ST(30)	Address line 1	optional
<other designation> ^	ST(30)	Address line 2	mandatory
<city> ^	ST(30)	Suburb	preferable (where applicable)
<state or province> ^	ST(30)	City/Town	mandatory (post code optional)
<zip> ^	(not used)		
<country> ^	(not used)	Country	
<type>^	(not used)	'C' – current or temporary 'P' – permanent 'M' – mailing 'B' – business	
<other geographic designation>	ST(4)	New Zealand domicile code	

The diagram illustrates the mapping of address components from the table to a specific example. Arrows point from the 'Notes' column of the table to the corresponding parts of the address: 'Address line 1' points to 'Unit 1', 'Address line 2' points to '179 Ohariu Avenue', 'Suburb' points to 'Wadestown', and 'City/Town' points to 'WELLINGTON'. A separate box labeled '40c' is also shown, representing a domicile code.

## Appendix 3: Capitation-based Funding Reporting Overview

Report	Processing stage	Content	Audience	Frequency	Format
Register Processing Statistics Report	Validation, duplicate checking, category counts complete	Register and individual validation statistics, plus a breakdown of individuals at category summary level with CSC and HUHC statistics Summary and by DHB	PHOs (mailbox)	Quarterly	Excel spreadsheet and XML
Capitation Summary Report: Organisation	Payment calculated	Register summary: counts of individuals at lowest level breakdown of category value, including calculated payment amounts Grouped by practice within PHO	PHOs (mailbox)	Quarterly	Excel spreadsheet and XML
Capitation Summary Report: DHBs	Payment calculated	Payment period summary: counts of individuals at lowest level breakdown of category value, including calculated payment amounts Grouped by organisation within DHB	DHBs (mailbox)	Quarterly	Excel spreadsheet and XML
FFS Deduction Report: Organisation	Payment forecast	Register summary, plus list of all FFS deductions for the month. Includes NHI number, internal individual ID, register, practice and provider IDs, FFS amount, date deducted and date of visit Grouped by individual NHI and summarised by practitioner and practice	PHOs (mailbox)	Monthly	Excel spreadsheet and XML
FFS Deduction Report: DHBs	Payment forecast	Summary of all FFS deductions for the month grouped by PHO within DHB	DHBs (mailbox)	Monthly	Excel spreadsheet and XML
Manual Adjustment Report	Payment	List of individual adjustments  Will reflect all adjustments shown on the monthly invoice (Dependent on confirmation of adjustment types and business process)	PHOs (mailbox) DHBs (mailbox) HB Finance	Monthly	Excel spreadsheet and XML
Quarterly DHB Report (individual)	Final payment calculated	Payment amounts by individual category for one DHB	DHBs	Quarterly	Excel spreadsheet and XML
Quarterly DHB Report (regional)	Final payment calculated	Payment amounts by individual category for all DHBs for one region	DHBs	Quarterly	Excel spreadsheet and XML
Quarterly DHB Report (national)	Final payment calculated	Payment amounts by individual category for all DHBs	MoH	Quarterly	Excel spreadsheet and XML
Forecast Payment Batch Detail Report	Forecast payment	Details all payments to PHOs for one DHB. Shows total amount to be debited from DHB account on payment due date (may be incorporated into existing reports)	DHBs (mailbox) HB Finance	Monthly Five days prior to payment	CSV file (opens automatically in Excel)
BCTIs	Payment	Buyer-created tax invoice payment, FFS deduction and adjustment summary	PHOs	Monthly (first business day after 15th)	PDF and XML
Payment Batch Detail Report	Payment	Details all payments to PHOs for one DHB Will include any adjustments applied since Forecast report (may be incorporated into existing reports)	DHBs (mailbox) HB Finance	Monthly (one day before payment due date)	CSV (opens automatically in Excel)

Report	Processing stage	Content	Audience	Frequency	Format
Payment Batch Summary Report	Payment	Summary of all direct debits for all DHBs for reconciliation with Desksbank totals (may be incorporated into existing reports)	HB Finance	Monthly (one day before payment due date?)	CSV
Daily Cashflow Report	Payment	These are two existing reports for DHBs – CBF payments will need to appear as items within these reports			
Date of Service Performed Report	Payment				
Message Acknowledgements (acceptance)	Initial validation	Notification of receipt of register: confirmation of valid file format	PHOs (mailbox)		HL7
Message Acknowledgements (rejection)	Initial validation	Notification of receipt of register: rejection of register for invalid file format	PHOs (mailbox)		HL7
Message Acknowledgements (error)	Validation	Details of: <ul style="list-style-type: none"> <li>NHI or address thresholds not met</li> <li>Individual data rejected</li> </ul>	PHOs (mailbox)		HL7
Message Acknowledgements (validation)	Validation	Details of: <ul style="list-style-type: none"> <li>updated CSC, HUHC, NHI, geocode data elements</li> </ul>	PHOs (mailbox)		HL7

## Appendix 4: Questions and Answers

### **Can PHOs continue to submit claims for fee-for-service?**

Yes. PHOs should submit fee-for-service GMS claims for consultations with casual individuals. However, it should not submit such claims for consultations with its enrolled individuals. If a PHO submits fee-for-service claims for consultations with its enrolees, the value of these claims will be deducted through CBF's fee-for-service deduction process.

### **What happens if the PHO does not send its register on time?**

The PHO will continue to get paid. However, for that part of the register that is not submitted on time, the payment level will be based on the capitation calculation for the previous quarter less a percentage deduction. The first time that the penalty deduction is applied, the deduction will be a percentage of the management fee payable for that part of the register not submitted on time (up to 10% of the estimated management fee payment due for that part of the register not submitted on time; up to 5% if the Lead DHB determines that the PHO is only partially responsible for the omission; no deduction if the DHB determine that the omission is not the fault of the PHO). Payment for that part of the register submitted on time will be the capitation amount due under the standard Capitation Based Funding rules.

Any subsequent time that the penalty deduction is applied, the deduction will be a percentage of the total capitation funding payable for that part of the register not submitted on time (up to 10% of the capitation funding due for that part of the register not submitted on time; up to 5% if the Lead DHB determines that the PHO is only partially responsible for the omission; no deduction if the DHB determine that the omission is not the fault of the PHO). Payment for that part of the register submitted on time will be the capitation amount due under the standard Capitation Based Funding rules.

### **Can CBF make payments using multiple rate tables?**

Yes. During a typical payment cycle, the PHO will be paid on a capitation basis for several different services (eg, GMS/practice nurse services ('first contact care') and management services. It is likely that there will be additional services paid on a capitation basis in the future.

### **Will CBF recognise geocoding done by parties other than the Ministry's contracted provider?**

Yes, if the geocoding fits the standard set for CBF. CBF is reliant on geocoding to point co-ordinates (ie, x, y co-ordinates). This is done because point co-ordinates never change; whereas, meshblocks and other census areas could potentially change every five years.

**How far back will fee-for-service deductions take place?**

Fee-for-service claims can be submitted up to six months after the date of service. Hence, fee-for-service deductions could be from dates of service as distant as six months. However, in practice, 97 percent of fee-for-service claims are processed within two months of the date of service.

## Appendix 5: Timeline Summary

### Expected timeline for the initial involvement of Primary Health Organisations

Event	Duration
1. District Health Board notifies HealthPAC (HB) and the Ministry of Health (MoH) that an organisation is interested in becoming a PHO.	One day
2. MoH sends PHO CBF information packet (if not already sent by DHB).	One day
3. HB arranges for digital certificate and connects organisation to mailbox; provides assistance in logging on to the system; and provides other assistance with using CBF.	Three weeks
4. HB processes register; provides error reports and payment advice (but no payment).	Three–five weeks
5. PHO downloads information from trial run at practice level.	Two weeks
6. PHO ready to submit information for payment run.	One week

### Timeline for normal quarterly processing cycle

Event	Timing
1. PHO submits register for payment run.	One month prior to beginning of payment quarter
2. HB sends PHO acknowledgement of receipt of register.	Within two business days
3. PHO resubmits register if problems in certain mandatory fields.	Three working days
4. HB sends reports register processing statistics report.	Prior to beginning of payment quarter
5. HB sends forecasted payment reports to DHB.	Five days prior to payment date
6. HB sends payment detail reports to DHBs.	One business day prior to 15th of the month
7. HB sends buyer-created tax invoices (BCTI) to PHOs and payment to PHO's bank.	One business day after the 15th of the month

## Appendix 6: Primary Health Organisation Readiness Assessment

This table outlines the systems, sources, processes and procedural requirements for using Health Benefit's capitation based funding system (CBF).

Systems	✓	Source	Process	Procedures	✓
<b>PMS/PHO software functionality:</b>		PMS vendor	Contact vendor helpdesk and request the latest CBF-compliant version of your PMS and/or PHO <sup>18</sup> software. This may be done any time.	Policy/procedures relating to accessing, using and/or ensuring the following (*)	
<i>Required:</i>					
<ul style="list-style-type: none"> <li>Geocodes addresses</li> </ul>		PMS vendor	When PHO status is confirmed, ie, by your DHB, contact PMS vendor again and request the latest "Geostan" database. <sup>19</sup>	*	
<ul style="list-style-type: none"> <li>Exports registers in HL7 format</li> </ul>		PMS vendor	No additional process/action required.	*	
<ul style="list-style-type: none"> <li>Populates mandatory fields<sup>20</sup></li> </ul>		PMS vendor	No additional process/action required.	*	
<i>Ideal:</i>					
<ul style="list-style-type: none"> <li>Verifies required thresholds<sup>21</sup></li> </ul>		PMS vendor	No additional process/action required.	*	
<ul style="list-style-type: none"> <li>Aggregates/disaggregates practice registers for export/import</li> </ul>		PMS vendor	No additional process/action required.	*	
<ul style="list-style-type: none"> <li>Calculates PHO and practice capitation payment</li> </ul>		PMS vendor	No additional process/action required.		
<ul style="list-style-type: none"> <li>Imports all CBF messaging/reporting</li> </ul>		PMS vendor	No additional process/action required.	*	
<b>Other soft/hardware requirements:</b>					
<ul style="list-style-type: none"> <li>WinZip</li> </ul>		WinZip Computing Inc.	Purchase WinZip from a local distributor or buy/download it from the Internet using URL <a href="http://www.winzip.com">www.winzip.com</a>	*	
<ul style="list-style-type: none"> <li>Netscape Navigator 4.73 or Internet Explorer 5.5 or later (ie, 128 bit encryption/Java compatible)</li> </ul>		Browser vendor	Purchase CBF-compliant versions of your browser from a local distributor or buy/download it from the Internet using either URL <a href="http://www.netscape.com">www.netscape.com</a> or <a href="http://www.microsoft.com">www.microsoft.com</a>	*	

<sup>18</sup> Two PHO systems are currently on the market: LinkTech (HealthTech) and InSync (IntraHealth).

<sup>19</sup> Geocoding database required to enable point-of-contact geocoding in all CBF-compliant PMS to function.

<sup>20</sup> See the following mandatory fields table.

<sup>21</sup> See the following required thresholds table.

Systems	✓	Source	Process	Procedures	✓
<ul style="list-style-type: none"> <li>56k modem/data link (minimum)</li> </ul>		Any retail computer hardware distributor	Purchase and install modem, also arrange an Internet account with any ISP (eg, Xtra)	*	
<ul style="list-style-type: none"> <li>Secure practice/PHO data link/transmission</li> </ul>		VPN (secure electronic); email (non-secure electronic); courier (secure non-electronic)	For a VPN subscription contact either Telecom at <a href="http://www.telecom.co.nz/content/0,2502,201816-1389,00.html">www.telecom.co.nz/content/0,2502,201816-1389,00.html</a> or TelstraClear at <a href="http://www.telstraclear.co.nz/products/data/private-ip/">www.telstraclear.co.nz/products/data/private-ip/</a> or HealthLink toll free on 0800 288 887 or email <a href="mailto:Tom.Bowden@healthlink.net">Tom.Bowden@healthlink.net</a> to subscribe to their service.	*	
<ul style="list-style-type: none"> <li>Health Intranet link/user software</li> </ul>		NZHS Health Intranet Governance Body	Obtain an information pack containing an application form and policy documents from Health Intranet administration at <a href="mailto:healthintranet@moh.govt.nz">healthintranet@moh.govt.nz</a>	*	
<ul style="list-style-type: none"> <li>HealthCert digital certificate</li> </ul>		New Zealand Health & Disability Sector Registration Authority	Contact the New Zealand Health & Disability Sector Registration Authority (NZHSRA) via email at <a href="mailto:registrations@nzhsra.co.nz">registrations@nzhsra.co.nz</a> or on 0800 117 590	*	
<ul style="list-style-type: none"> <li>Safecom network connection</li> </ul>		Telecom	You will receive a Telecom Connection Form (ADSL and Dial-up applicants only) from the Health Intranet Security Officer.  Fax the completed form to Telecom as directed by the Health Intranet Security Officer (for ADSL and Dial-up connections only).  Contact your Telecom account manager to arrange a connection to the Health Intranet (dedicated connection applicants only).	*	
<ul style="list-style-type: none"> <li>HealthPAC portal mailbox</li> </ul>		HealthPAC	Contact HealthPAC (Mary Rowe) on (04) 381 5338 and request a CBF login <sup>22</sup> and mailbox.	*	

<sup>22</sup> Note: Before requesting an electronic mailbox, PHOs must have been set up in the Ministry of Health's Contract Management System (CMS). HealthPAC mailbox Ids are the same as the 'Per-Org' Ids issued by HealthPAC when a new provider or PHO is set up in CMS. To obtain this number a DHB must complete a Contact Database form available on the Health Information Network (HIN) and either return email or mail it to the Agreement Administration Team at HealthPAC Dunedin Private Bag 1942, Dunedin. Allowing one day for processing, the DHB can then either call the Agreement Administration Team on (03) 474-8084 for the details or locate the same via a search of the Health Information Network.

Systems	✓	Source	Process	Procedures	✓
<ul style="list-style-type: none"> <li>Hardware to enable adequate PMS performance</li> </ul>		Any retail computer hardware distributor	Purchase and install required hardware, testing functionality and performance of all required systems.	*	

Other PHO and/or practice level policy/procedural requirements, include the handling of:

Other procedural requirements	✓
<ul style="list-style-type: none"> <li>Geostan updates</li> </ul>	
<ul style="list-style-type: none"> <li>Payment reception, reconciliation (eg, FFS adjustments), audit and reporting</li> </ul>	
<ul style="list-style-type: none"> <li>Messages, reports and BCTI reception, analysis, and storage</li> </ul>	
<ul style="list-style-type: none"> <li>Register submission/resubmission problem resolution with HB</li> </ul>	
<ul style="list-style-type: none"> <li>Register backup/recovery/audit/storage</li> </ul>	
<ul style="list-style-type: none"> <li>DHB engagements (eg, payment problem resolution, reporting, contract compliance)</li> </ul>	
<ul style="list-style-type: none"> <li>Training and supporting practice systems/administrators</li> </ul>	

PHOs should also have the following CBF-specific documents:

Core documents	✓
User Information Guide, incorporating: <ul style="list-style-type: none"> <li>HL7 specification</li> <li>CBF business rules</li> <li>Message Acknowledgements</li> </ul>	
User Manual	

### Mandatory fields and required thresholds

The mandatory PHO individual register data elements required under CBF are:

- At a personal level:**

- Date of birth
- Ethnic group
- Gender
- Individual ID (internal ID)
- Individual name
- Date of enrolment
- Registration status

- At an organisational level:**

- Organisation ID
- Organisation name
- Contract number
- Practice ID
- Payment period
- Total affiliated practices
- Total registered individuals
- Practice name

In addition, the following elements should be supplied to meet minimum thresholds and to improve the accuracy of data matching.

- **Individual Residential Address:** At least 80 percent of individual records in a PHO register must have residential addresses.
- **NHI Number:** Under current PHO contracts, at least 70 percent of individual records must include an NHI. This will be reflected in the PHO contract and be increased over time. **NB.** All HUHC individuals must have a valid NHI.
- **Community Service Card:** Although and numbers and expiry dates for these cards are not mandatory, they should be provided if applicable.
- **High User Health Card.**