

Summary

Objective

To initiate and deliver a variation to a Health Service Contract.

Background

Recovery Services manages contracts and relationships with service providers. This includes managing the design and delivery of new services and reviewing service providers' performance. Recovery Services work with providers to develop the best possible treatment and rehabilitation services for our clients. The work is underpinned by the Health Sector Strategy and Service Plans which aims to partner with providers to deliver the right outcomes for clients.

Owner

Name withheld

Expert

Name withheld

Procedure

1.0 Review service information

Portfolio Advisor, Portfolio Manager

- a** Analyse service information to identify possible opportunities.

NOTE Where can you source information from?

- InFact (Individual Supplier and Service specific Dashboards)
- Monthly financials
- Te Kapehu Whetu
- Service performance review/evaluation
- Service stream meetings
- Supplier meetings
- Sector feedback
- Engagement & Performance Manager (EPM) feedback
- Recovery Team Member focus group feedback
- Knowledge & Capability Team
- Technical Services Team feedback
- Clinical evidence
- Clinical Services Team feedback
- Pricing Team
- Finance Team
- Health Sector Bodies ie Manuta Hauora, Te Whatu Ora
- Professional body feedback
- Internet searches
- Voice of Customer team
- Information Management Team
- Manager Recovery Services
- Health Partnerships Leadership Team (HPLT)
- Chief Executive Office.

NOTE What if you require more specific data?

Send a detailed work request to Analytics & Reporting (A&R) including:

- Client demographics
- PO creation trends
- Client volume/costs 5-10 years
- Supplier trends (spend/volume/cost per claim).

- b** Consult your Portfolio Manager on the analysis and obtain a decision to initiate a variation.

NOTE What if further analysis is requested?

Obtain information as directed, update the Portfolio Manager and obtain a decision to initiate a variation.

NOTE What if the decision is to decline?

Follow the direction of the Portfolio Manager, continue to collect data or pause the analysis.

The process ends.

NOTE What if decision is to enact a right of renewal?

Go to Right of Renewal process.

☐ **PROCESS** Deliver a Right of Renewal

NOTE What if decision is to cease the contract?

Go to Cessation of Service process.

☐ **PROCESS** Cessation of Service

NOTE What if decision is to propose a new service?

Reasons may include:

- service gap is identified
- change in our commissioning approach
- the change is significant (ie the cost to deliver is large, there is a change in service delivery, technology or policy/legislation eg Maternal Birth Injuries - MBI).

Go to Deliver a New Health Service process.

☐ **PROCESS** Deliver a New Health Service

NOTE What if decision results in a return to market?

Go to Deliver a Tender process.

☐ **PROCESS** Deliver a Tender

- c** Send analysis and Portfolio Manager approval to the Health Contracts Governance Group (HCGG) for endorsement to proceed.

NOTE What if endorsement is not obtained?

Follow the direction of the HCGG, continue to collect data or pause the review.

The process ends.

2.0 Create project plan

Portfolio Advisor, Portfolio Manager

- a** Receive endorsement from HCGG.

- b** Create a project plan to document the proposed service variation.


NOTE What needs to be included in the project plan?

- Link to Huakina Te Ra/identify strategic alignment/context
- Review existing service provision/proposed changes
- Pricing/whole of life cost (WOLC)/ outstanding claim liability (OCL)
- Actuarial statement
- Pricing
- Cost/benefit
- Risk/mitigations
- Implementation timelines
- Impact on other services/clients
- Stakeholder identification and management
- Sector collaboration/partnering
- Comms plan
- Delegated approval.

NOTE What if you need to obtain additional service information?

Refer to list of information sources in 1.0a.

- c** Determine the appropriate level of delegation that will be required to approve the change.

 Corporate Delegations Framework - Principles, Policy and Others

NOTE How do you know what is the appropriate delegation level?

- Initial calculations from Finance reports to date
- Discussion with Finance Business Partner
- Discussion with Pricing Team Analyst on potential cost impacts.

NOTE What if the approval delegation is at the Board level?

1. Contact the Governance Team (Governance@acc.co.nz) to determine if Board approval is required, for further information refer to the Governance Hub link below
2. Request Governance Team to book appropriate appointments into the board meeting schedule
3. Seek confirmation from Governance Team that the approval is booked as an item on an upcoming Board agenda.

 Governance Hub

- d** Connect with appropriate internal teams to initiate discussions on how they will contribute or respond to the proposed changes.

NOTE Which teams do you need to connect with?

- Service Delivery - Recovery Team Members (RTM), Client Service Leaders (CSL), Principal Advisors, Knowledge & Capability Team, Performance Team, Payments Team, Client Recovery
- Health Partnerships - Health Procurement Team Specialists, Maori Health Team, Provider Invoice Team, Clinical Services, Engagement & Performance Team, , Accredited Employers Programme (AEP) Team
- Performance & Intelligence - Analytics & Reporting (A&R), Pricing Team Analysts
- Business Capability/Process - Business Process Improvement (BPI)
- Comms - Change and Communication plan for staff and suppliers
- Learning & Development Team
- Process Manager - Process owners and experts.

- e** Connect with key suppliers to commence early collaboration/partnering on the proposed variation.

NOTE How do you determine the key suppliers?

- Suppliers with sector influence
- Demographic specific/specialist suppliers
- Professional bodies/boards.

3.0 Engage stakeholders in the variation design

Portfolio Advisor, Portfolio Manager

- a** Engage with stakeholders to collaborate/partner in the design of the variation.

NOTE Who are stakeholders?

Internal

- Service Delivery - Recovery Team Members (RTM), Client Service Leaders (CSL), Principal Advisors, Knowledge & Capability Team, Performance Team, Payments Team, Client Recovery
- Health Partnerships - Health Procurement Team Specialists, Maori Health Team, Provider Invoice Team, Clinical Services, Engagement & Performance Team, Accredited Employers Programme (AEP) Team
- Performance & Intelligence - Analytics & Reporting (A&R), Pricing Team Analysts
- Business Capability/Process - Business Process Improvement (BPI)
- Learning & Development Team
- Finance Team.

External

- Suppliers
- Professional bodies - ie Universities, data collection agencies (AROC Australian Rehabilitation Outcome Centre)
- Other government agencies - national/international.

- b** Document a summary of the proposed changes (current state/future state the design/proposed variation) in the project plan.

- c** Share the summary of proposed changes with stakeholders and request feedback.

- d** Contact the Pricing Team Analyst to finalise WOLC estimation for the proposed changes. Ensure that actuarial advice has been sought.

NOTE What if you need budget advice?


Contact a Finance Business Partner for information if the variation is tracking outside of the budget.

- e** Draft the proposed Service Schedule changes and send to Legal for endorsement.

NOTE How do you obtain Legal endorsement?

1. Email Legal Manager - Commercial
2. Discuss any wording issues with a Solicitor, if required
3. Receive Legal endorsement in writing (ensure Legal endorsement is received prior to seeking approval from the appropriate delegated authority).
4. Finalise the Service Schedule.

- f** Determine if there is any change to the appropriate level of delegated authority required to approve the variation.

 Corporate Delegations Framework - Principles, Policy and Others

4.0 Obtain approval

Portfolio Advisor, Portfolio Manager

- a** Create a memo outlining the proposed variation and its benefits.

 ACC A4 Memo template

NOTE Memo content will change depending on the delegated approval holder and cost of the change/pricing impact.

NOTE What key headings/information are required?

- Links to Huakina Te Ra
- Description of changes
- Pricing/whole of life cost (WOLC)/ outstanding claim liability (OCL)
- Cost/benefit
- Risk/mitigations
- Implementation timelines
- Impact on other services/clients
- Endorsements.

NOTE How do you obtain approval from the Board?

1. Portfolio Manager/Principal Advisor draft the Board Paper, using either the template for a full Board paper, or the cover sheet (if presenting a separate report/presentation), refer to the Governance Hub link below
2. Liaise with the Governance Team to confirm key dates for Board Meetings
2. Incorporate feedback into Board Paper
3. Obtain Head of Health Partnerships sign off prior to Board meeting
4. Attend Deputy Chief Executive Prevention & Partnerships (DCE P&P) meeting
5. Receive feedback from other DCE's and Chief Executive (CE) offices and update the Board Paper as required
6. Submit finalised Board Paper to the Exec Page Turn
7. Create talking points for DCE P&P/Head of Health Partnerships for the Exec Page Turn
8. Board meeting takes place
9. Receive approval/feedback and direction from the Board.

 Governance Hub

- b** Finalise memo with the Portfolio Manager.
- c** Socialise the finalised memo with the Manager of Recovery Services.
- d** Attend the appropriate delegated level meeting for approval.

NOTE What if further information is requested?

Follow the guidance and obtain the required information, return to the appropriate meeting for delegated level of approval or arrange a meeting with relevant members of HCGG.

5.0 Update project plan for implementation

Portfolio Advisor, Portfolio Manager

- a** Update the project plan for implementation.

NOTE What additional items must you consider as part of implementation?

- Amendments to Service Schedule
- Amendments to Operational Guidelines
- Taxonomy for service item changes
- Payment processing team - guidance on staff instructions
- Business Process Improvement - Forms, Letters, Information Sheets (FLIS)/processes changes
- Inbound Document Management team - inbound document requirements
- Client Administration - referral requirements
- Delegation changes
- Transition plan - change of service items
- Training plan - internal/external
- Change and Communication plan.

- b** Share updated project plan with Portfolio Manager to approve the implementation plan.

NOTE What if changes are identified?

Incorporate the feedback into the implementation plan, where appropriate.

6.0 Handover Service Schedule to Procurement

Portfolio Advisor, Portfolio Manager

- a** Notify the Procurement Specialists that the Service Schedule has been finalised, including the approved memo from the appropriate delegated authority, so that they can commence procurement activities.

NOTE Should you accept marked-up changes in the document before notifying the Procurement Specialist that the Service Schedule is finalised?

No, the Procurement Specialists needs a Word version of the document showing marked-up changes. This will help them identify what has changed in the contract so that they can detail the changes in the Contract Variation letter.

- b** Receive and review the draft Contract variation letter from the Procurement Specialist and obtain approval from the Portfolio Manager.

NOTE What if an issue is identified?

Contact the Procurement Specialist to discuss.

- c** Notify the Procurement Specialist that the draft Contract variation letter is approved by the Portfolio Manager.
- d** Add or replace the existing Service Schedule with the new version in Te Whariki.

 Te Whariki

- e** Ensure the Contract Administration Team sends the finalised Service Schedule document to the Website Team to upload onto the ACC website.

6.1 Action implementation plan

Portfolio Advisor, Portfolio Manager

- a** Update the Communications Team so they can finalise a Change and Communication plan for staff and suppliers.
- b** Update the Knowledge & Capability Team and Client Recovery so they can finalise a Training Plan, including training material, method and staff to participate in training.
- c** Update other roles/teams for specific changes, where required.

NOTE What other teams may action changes?

- Taxonomist and Payment Processing Team - service item codes, confirm the processing activities and any transition of Purchase Order on claims.
- Accredited Employers Programme (AEP) Team - update accredited employers
- Technical Services - approval for a change to delegations (if appropriate), and ensure the delegations document is up to date.
- PART - Eos/Salesforce/MyACC system updates & BPI for complex Process/FLIS changes.
- Client Administration Teams - define any requirements.
- Client Recovery - clarify transition of Purchase Orders for clients, if required.
- Inbound Document Management Team Leader - define any requirements.

- d** Update the Operational Guidelines document and share with the Portfolio Manager for approval.

- e Send approved updated Operational Guidelines to the Website Team to upload the document onto the ACC website.
 - f Update Process Manager process page owners/experts for any process changes and links to online resources, if required.
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Proactively released