FEE FOR SERVICE CONTRACT OVERVIEW

CONTEXTUAL OVERVIEW TO BE READ IN CONJUNCTION WITH FEE FOR SERVICE CONTRACTS FOR VISITING MEDICAL OFFICERS

Fee-for-service contracts for visiting medical officers contain clauses which prescribe contractual arrangements and provide a basis for an equitable and mutually rewarding relationship between the hospital or area health service and the visiting medical officer in the future.

However, it is important that several contextual issues are clearly stated and understood by the parties.

1. Role of the Visiting Medical Officer

Because of their training, expertise and experience, senior medical staff have the ultimate responsibility for patient care. This central role also necessitates continued participation in

- planning the clinical activities of hospital departments,
- maintenance of high clinical standards,
- introduction of new technology and new methods of patient care,
- meeting the challenge of efficiently utilising limited hospital resources for the greatest benefit to the community.

Visiting medical officers, together with their academic and staff colleagues, provide essential expertise in all of these matters and their continuing involvement is vital.

Visiting medical officers are and will remain independent contractors, but in facing such complex matters as waiting lists, budget allocation and the like, there should be a team approach in which visiting medical officers and other senior medical, nursing and allied health staff work with the management of hospitals and area health services to achieve the best possible result for patients.

2. Clinical Privileges

Recognition of the kind and extent of work that visiting medical officers may undertake in hospitals is safeguarded by the essential role of credentials committees of peers (set up under existing agreed by-laws) to advise Boards on clinical privileges and their inclusion (as required by existing regulations) in appointment agreements. A flexible dispute resolution procedure with an emphasis on resolution being achieved at the local level, in addition to statutory appeal provisions in the Public Hospital Act, ensures fairness.

3. Maintenance and Enhancement of Skills

When clinical privileges are determined and facilities are made available, recognition will continue to be given to the need to maintain the special skills of visiting medical officers and to facilitate the development and use of new skills. This will occur through the reasonable availability of study and conference leave and the fostering of an atmosphere which is conducive to improvements in expertise and quality.

4. Service Provision

The services provided by visiting medical officers and the budget for those services shall be agreed between the VMO and the relevant hospital or area health service.

A process to calculate services to be provided is best developed in consultation with individual visiting medical officers at the local level. This process will involve the preparation of an annual (or lesser agreed period) plan for services.

A suggested method is as follows:-

Step A - a services plan and budget is drawn up and agreed between the visiting medical officer and the relevant clinical head and/or medical administrator, including the number, type and nature of services and all known factors, including budget considerations.

Step B - claims and payment are made each month in accordance with actual service performed.

Step C - Services performed are compared to budget each 3 months to ensure that budget will be achieved. Where a material trend either way is detected, then consultation with the visiting medical officer should take place to ensure that the end of year outcome is appropriate. This may involve an amended plan of activity or funding which gives appropriate consideration to the needs of patients and the day to day practice of the visiting medical officer. If the agreed budgeted services are exhausted prior to the end of the period and arrangements are not in place to vary the budget in accordance with an amended workload plan, provided adequate notice is given, the visiting medical officer may request to proceed on unpaid leave, and approval of such leave is not to be unreasonably withheld.

5. Negotiations of Variations in Service

Unexpected material variations in workload

Establishing the services plan on a fair and firm basis should overcome the need to continually review and amend the services. However, it is acknowledged that, from time to time, there will be an unexpected and material variation. This may be an isolated and temporary thing or it may be a clear trend. When either occurs, the hospital and the visiting medical officer should examine the facts and the reason for the variation, and equitably negotiate changes in budgeted services.

6. Accountability

It is recognised that in claiming for work performed visiting medical officers, as professionals, are accountable for the efficient and effective use of public monies. This is a key principle in the provisions set down in the contract, specifying the nature of record keeping.

Accounts should be rendered to the hospitals/areas on a monthly basis and must include the name of the patient, the date of the service and a description of the service provided.

It will be expected that notations will be made in the medical records of patients which will be capable of supporting the claims made.

7. Ongoing Consultative Process

It has been agreed that an ongoing consultative process between the Australian Medical Association (New South Wales Branch) and New South Wales Health will occur. This will facilitate:

(a) the continuing improvement of relationships between the two organisations; and

(b) effective communication; and

(c) involvement of visiting medical officers in contributing to management decision processes.

8. Termination

In relation to termination of appointment of visiting medical officer, this should be dealt with fairly, and, where appropriate, provide the affected visiting medical officer with an opportunity to present his/her case.

Where termination is effected, the reasons for such termination should be provided to the visiting medical officer if he/she so requests.

Termination of a visiting medical officer's appointment is, of course, subject to a right of appeal under part 6B of the Public Hospitals Act.

9. Dispute Resolution Process

The objective of these provisions in the contract is to achieve a fair and equitable result for visiting medical officers and hospitals and area health services. It may take the form of a mediation or other process designed to resolve disputes or differences in an effective and expeditious manner.

10. Guidelines for Completion of an Individual Contract

(a) The parties to the contract

The contract is between the Hospital (District Health Service) or Area Health Service and individual visiting medical officers. Discussion and agreement in regard to each contract will, however, occur on a local hospital basis involving, as appropriate, medical department heads and medical management.

(b) The term of agreement

The individual agreement can be for any term up to a maximum of 5 years.

(c) Schedule 1 – Clinical Privileges

Clinical privileges written in the contract should be as delineated by the board after advice from a Medical Appointments Advisory Committee or Credentials Committee.

There may be general privileges and often special or specific privileges.

General privileges are those that usually apply to members of a particular speciality. These will apply to individuals of a speciality at this time unless otherwise specified, for example, "general surgery" or "consistent with the usual practice of orthopaedic surgery".

Many hospitals, through their Medical Appointments Advisory Committee or Credentials Committees, have identified a range of special privileges which have not been granted to all members of a particular speciality and have been delineated separately. For example, for general surgeons these specific privileges may include laser surgery, endoscopy, or laparoscopic surgery, for gynaecologists there may be specific privileges to undertake endometrial ablation and for general practitioners, defined obstetric privileges etc. Where these have been delineated separately they should be stated.