



Annual Practising Certificate Fee

For the 2022/23 Practising Year
(01 Apr 2022 to 31 March 2023)

Purpose

Te Tatau o te Whare Kahu, the Midwifery Council is proposing to increase the Annual Practising Certificate (APC) Fee.

The Council wishes to gather views from the sector to inform its decision on a proposed fee increase. Your feedback will inform the Council's final decision.

You can access detailed information about the Council's proposal at www.midwiferycouncil.health.nz

We invite you to respond to the questions in one of the following ways:

- Sending in a manually completed response to:
 - The Registrar
Midwifery Council
PO Box 9644
Marion Square
Wellington 6141
- Using the survey link below:
 - www.surveymonkey.com/r/3T6PD5D

Please note that the Council encourages midwives to provide individual feedback as summary submissions provided by organisations will be given no weighting.

Feedback is due by **Friday 28th January 2022 at 5pm**. We look forward to receiving your comments.

Instructions

In this paper, you will find several questions on which the Council is seeking your feedback.

Before you complete this paper, please ensure that you review the entire paper as this provides you with the rationale for the Council's proposals.

Your Details

Your name: _____

OR

I would prefer to remain anonymous: YES/NO

I am completing this document as an individual: YES/NO

If YES,

I am a (please highlight all that apply):

- Core midwife- primary
- Core midwife- secondary
- Core midwife -tertiary
- LMC midwife- urban
- LMC midwife - rural
- Midwife manager
- Midwifery educator pre-registration programme
- Midwifery educator post-graduate or professional development
- Midwifery Advisor/researcher/leader
- Consumer
- Other – please advise _____

If NO,

Please provide name of your organisation:

Annual Practising Certificate Fee

The Midwifery Council is proposing to increase the Annual Practising Certificate (APC) Fee.

The Council wishes to gather views from the sector to inform its decision on the proposed fee increase. Your feedback will inform the Council's final decision. Links to all documents discussed below can be accessed on our website.

Summary

The Midwifery Council (the Council) is proposing to increase the Annual Practising Certificate (APC) fee for 2022/2023 by 6% (\$40.00) for all midwives. This proposed increase is to cover the increase in inflation that has occurred over the past year and in anticipation that a number of midwives will not apply for an APC as a consequence of the COVID-19 vaccine mandate.

The Council is proposing no change to the disciplinary levy.

The Council is also proposing to remove a reduced APC fee for newly qualified midwives in their first year of practice. In doing this it will re-establish a reduced fee for those newly qualified midwives who enter the Register in December- January of each year and who wish to apply for an APC that will expire on 31 March for the partial practice year.

The Council increased its fees for all midwives except those in their first year of practice for the 2021-2022 practising year. At that time it signalled that it would review its decision regarding reduced fees for newly qualified midwives.

The removal of the reduced fee and the proposed fee increase for all midwives is necessary to meet the Council's operating costs and to ensure the continued delivery of the Council's regulatory functions.

The Council acknowledges the timing of this proposal and advises that this was delayed due to the impact of the COVID-19 vaccination mandate on Council workstreams. Changes have been made enabling future requests for feedback on Council proposals on any increase or decrease to fees to occur around November of each year.

The Midwifery Council and its priorities

The Council is responsible for protecting the health and safety of the public by ensuring that midwives are fit and competent to practise their profession. To do this the Council is required to fulfil its obligations under section 118 of the Health Practitioners Competence Assurance Act 2003. The Council has a strategic plan and associated workplan and has been actively working towards meeting its goals and objectives for 2021-2022. The Council's priorities for 2021-2022 have been the implementation of Te Tiriti o Waitangi into its operations, embedding cultural safety in midwifery practice, the continuation of the Aotearoa Midwifery Project, and the regulation of Midwifery-led abortion care. This work is ongoing and will have implications for the midwifery profession.

The revision of the scope of practice, competencies and pre-registration standards has implications for many workstreams, including recertification (which will affect all midwives), return to practice, and registration. The Council is required to monitor compliance with engagement in the recertification programme. Review of recertification and the Council monitoring of compliance is essential as part of public safety work.

The Council is also considering regulation of Midwifery-led abortion care. While it has signalled that, if regulated under a second scope there will be fees for those practitioners, there is still work in the development of the framework that needs to be funded. The Council has recently undergone its five-yearly organisational performance review. The resulting report is expected shortly. The Council will need to implement any findings from the performance review as part of its quality improvement.

The Council must be responsive to change and to adapt its work as required. The COVID-19 pandemic, the Health and Disability system review and the findings of the Wai 2575 Waitangi Tribunal report have all impacted on the Council's work. This has required the Council to be responsive and agile in its operations. It has also provided the Council with opportunities to participate in work on safety of practice in conjunction with other authorities; for example the Council is participating in a project on the development of shared competencies for prescribers.

Increase in complaints

There has been an increase in complaints and notifications presented to the Council in 2021. This has largely been due to an increase in social media and antivaccination misinformation or a combination of both. While the Council has taken a proportionate approach in how these matters are addressed, with the majority of midwives receiving educative letters, each complaint must be managed administratively, which requires resourcing. The number and type of staff involved in fitness to practice matters has almost doubled over the past year with a change in the skill mix needed to

review matters. That is, there has been the need for additional professional advice and involvement of more senior members of staff. There has also been an increase in the amount of legal advice required to manage more complex matters. A number of matters have been referred to professional conduct committees for formal investigation, which impacts on disciplinary reserves, as do matters that progress to formal hearing before the Health Practitioners Disciplinary Tribunal.

Financial position

In December 2020, the Council advised practitioners that it could not continue to operate at a deficit, as it had for a number of years, and that it needs to increase the reserves that it holds. Its deficit at the end of the 2021 financial year was substantial and, while that deficit was largely due to a change in accounting policy, the Council had signalled to midwives that it needed to be funded adequately in order to continue to operate. The Council has been prudent in its expenditure during 2021-2022. It has considered the way that it operates and has made changes where it can. While the Council has sufficient reserves for discipline cases, it does not hold sufficient operational reserves and must address this.

Approach to determining fees

Health Practitioner APC fees and disciplinary levys are prescribed under sections 130 and 131 of the HPCAA. The Council uses a cost-recovery approach to determine the level of fees necessary to deliver its functions and in order to remain financially viable. The total fee paid by each midwife every year has two component parts - the APC fee and the disciplinary levy.

The fee that is set for APCs is dependent on a number of factors that the Council considers each year. These form the assumptions that are used to develop the budget.

The factors are:

- The number of midwives that are projected will hold an APC
 - The Council monitors the workforce data and APC numbers annually. It considers movement into and out of the profession and is able to estimate the number of midwives it expects to apply for an APC
- Budgetted operational and capital expenditure costs
- Reserves in accordance with our Financial reserve and investment policy

The Council has no borrowing ability and its principle source of income is from APC fees. The Council is required to hold reserves so that it can continue to operate and maintain the required level of legislative responsibility to the public. It needs to have reserves in order to manage unanticipated issues that require its attention. Between quarter three, 2020 and quarter three, 2021 there has been an increase in inflation of 5% (as

measured by the Consumer Price Index (CPI)). In order that funding received from APC fees does not diminish in real terms, the Council has proposed this increase in APC fees. Further, the Council projects that there will be impacts on the goods and services that it must buy due to inflation.

Midwife number projections

The Council has made adjustments to its projections on the number of midwives who will apply for an APC due to the COVID-19 vaccine mandate. While the number of midwives who have advised the Council that they cannot practice is small, an adjustment and reduction of 5% of the workforce has been made in order to budget effectively. Currently there are 3407 midwives who hold APCs. Some of these midwives are not able to work because of their personal decisions. The Council expects that, between January and March 2022, a further 70 midwives will be entered onto the Register. This comprises mostly New Zealand graduates and some internationally qualified midwives.

Notwithstanding the impact of the COVID-19 vaccine mandate, each year the Council monitors the number of midwives who hold an APC at 31 March and then again at 30 April. The Council expects that the number who hold APCs at 30 April to be less than those who hold APCs at 31 March, however there is growth between years. For example:

- Number of midwives who held an APC as at 31 March 2021 - 3456
- Number of midwives who held an APC as at 30 April 2021 - 3259

What the Council observed in 2021 was that there was no growth in the number of APCs held at 30 April. This was the first year there was a decrease, as the number of midwives who held an APC at 30 April 2020 was 3273.

The Council is monitoring this statistic to see if it was an anomaly or if there is indeed a trend. This has implications for revenue projections as the cost of APCs is dependent on the size of the workforce.

Disciplinary Levy

The Council has considered not charging a disciplinary levy in 2022-2023, however has agreed that it needs to continue to charge this levy, given the increase in referrals to professional conduct committees and to cover potential referrals if unvaccinated midwives are found to have continued to practise after the Covid-19 vaccination mandate came into effect. The decision around the disciplinary levy will also be reviewed in 2022. There will be no change in the amount of the levy, which will remain at \$50 for the 2022/2023 practising year.

Proposals

1. The Council proposes a total APC fee for all midwives for the practising year 1st April 2022 – 2023 comprised of:
 - Fee (incl GST) \$690.00
 - Disciplinary levy (incl GST)\$50
 - **Total fee** (incl GST) \$740.00

2. The Council proposes that all New Zealand new graduates applying for an APC for 2022-2023 will pay the full annual fee.

3. The Council proposes a reduced fee for New Zealand graduates entering the register from December 2022- March 2023. This fee is for the APC for the remainder of the 2022-2023 practising year. It proposes that this fee will be:
 - Fee (incl GST) \$230
 - Disciplinary levy \$50
 - **Total fee** \$280.00

Feedback

What you are being asked to do is to answer the following questions about the Council's proposal to increase Annual Practising Certificate fees.

1. Do you agree with the Council's proposal to increase annual practising certificate fees from **a GST inclusive total** of \$700 to **a GST inclusive total** of \$740.00?

YES/NO/UNDECIDED

Please comment:

2. Do you agree with the Council's proposal to remove the reduced full year APC fee for newly qualified New Zealand graduate midwives? This means that new graduates will pay the same APC fee as all other midwives.

YES/NO/UNDECIDED

Please comment:

3. Do you agree that the Council should introduce a reduced fee for newly qualified New Zealand graduates who apply for their first **partial year** APC between December – March of each year? This APC is only for a maximum of four months and will expire 31 March each year. As with all midwives, newly qualified midwives also need to apply for a practising certificate for the next practising year.

YES/NO/UNDECIDED

Please comment:

4. Do you agree with the Council's proposal to set the partial year first APC for New Zealand graduates entering the register at a **GST inclusive total** of \$280?

YES/NO/UNDECIDED

Please comment: