

FEE-FOR-SERVICE CONTRACT - RURAL DOCTOR PACKAGE HOSPITALS

THIS CONTRACT made the **day of** **20** ,
BETWEEN (*insert the name of relevant Area Health Service*) ("the Hospital/Area Health Service") of the First Part **AND** (*insert name of the medical practitioner*) ("the Visiting Medical Officer") of the Second Part.

WHEREAS:

- A. The (*insert name of appointing body*) has determined to appoint the Visiting Medical Officer to provide services at the hospital or hospitals specified in Schedule 1 hereto (the "specified hospital(s)") and the Visiting Medical Officer agrees to provide such services, subject to the terms and conditions hereunder.

- B. The Visiting Medical Officer is to provide such services as an independent contractor and is to be remunerated on a fee-for-service basis in accordance with the rates and conditions established under the Rural Doctors Settlement Package as defined in this contract, relevant to the services provided by the Visiting Medical Officer under this contract.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. TERM OF CONTRACT

- 1.1 This contract is to be for the period from to20.. unless this contract is properly terminated by either party in accordance with this contract.

- 1.2 The Visiting Medical Officer is, if otherwise qualified, eligible for but not entitled to re-appointment upon the expiry of this contract. Satisfactory fulfilment by the officer of the obligations under this contract shall be one of the considerations to be taken into account in deciding whether to re-appoint the officer. In the event of re-appointment, a new service contract shall be made.

- 1.3 This contract shall not establish the relationship of employer and employee as between the respective parties thereto and the Visiting Medical Officer shall, in providing services under this contract, be and be regarded as an independent contractor.

2. PROFESSIONAL RESPONSIBILITIES

- 2.1 The Visiting Medical Officer shall provide medical services to public patients as specified in Schedule 2 consistent with the clinical privileges granted to the officer under this contract and is to be remunerated for these services in accordance with the rates and conditions established under the Rural Doctors Settlement Package.

- 2.2 The Visiting Medical Officer may participate in the teaching and training of postgraduate medical officers where reasonably required and remunerated by the Area Health Service in accordance with the hourly rate determined by the NSW Department of Health.

- 2.3 The Visiting Medical Officer shall participate in committees expressly established or authorised by the board of the Area Health Service and to which the officer is appointed by such board, where reasonably required by the Area Health Service for the proper and efficient functioning of the hospital

concerned. The officer will be remunerated for such participation in accordance with the Rural Doctors Settlement Package.

- 2.4 The Visiting Medical Officer shall participate in an on-call roster for the provision of medical services as may reasonably be required by the Area Health Service, and when so rostered the officer shall be readily contactable at all times and be able and prepared to attend the hospital concerned within a reasonable period of time. To enable the officer to be readily contactable whilst he or she is on-call, the Area Health Service will provide and maintain communications equipment (other than normal telephone services) which is reasonably necessary in the circumstances. The equipment will be provided on the condition that the officer will take reasonable precautions to prevent damage to or loss or theft of the equipment. The officer will be remunerated for such participation in accordance with the Rural Doctors Settlement Package
- 2.5 The Visiting Medical Officer:
- 2.5.1 shall be professionally responsible for the proper clinical management and treatment of public patients under the officer's care in the hospital concerned and shall attend patients admitted under the officer's care at a frequency appropriate to the patients' clinical needs;
- 2.5.2 shall take reasonable steps to ensure that the clinical records related to the services provided by the officer, and those provided for patients under the officer's care, are maintained adequately and that such completed records include details of diagnosis, treatments and operations performed and a discharge summary completed in the manner determined by the hospital after consulting with the officer;
- 2.5.3 shall comply with rules and by-laws in force from time to time at the Area Health Service, not being inconsistent with any of the rights and obligations of the officer under this contract.

3. CLINICAL PRIVILEGES

- 3.1 Subject to subclause 3.2 the Visiting Medical Officer's clinical privileges are as specified in Schedule 1 of this contract.
- 3.2 The Area Health Service may review and vary the clinical privileges of the Visiting Medical Officer at any time after advice from the appropriate credentials committee in respect of the specified hospital/s in accordance with any applicable Act or regulations, or by-laws in force at the specified hospital(s).
- 3.3 The medical services which the Visiting Medical Officer provides to patients at the specified hospital(s) shall be consistent with the clinical privileges determined by the Area Health Service in respect of the Visiting Medical Officer from time to time.

4. HOSPITAL FACILITIES

- 4.1 The Area Health Service, where reasonably practicable shall provide:
- 4.1.1 all ancillary, medical, nursing and clerical assistance and facilities, instruments and equipment reasonably necessary for the proper performance of the services to be rendered by the Visiting Medical Officer under this contract; and

4.1.2 to the Visiting Medical Officer upon request and free of charge, sufficient suitable and serviceable outer uniforms and duty garments, which shall remain the property of the Area Health Service and which shall be laundered at the expense of the Area Health Service.

5. GST

- 5.1 To the extent that the Visiting Medical Officer is liable to pay GST in connection with services supplied under this contract, the fees specified in the Rural Doctors Settlement Package are exclusive of GST.
- 5.2 The Area Health Service agrees that should the Visiting Medical Officer be liable for GST in connection with the services supplied that the fees specified should be increased by an amount equivalent to the GST payable by the Visiting Medical Officer on the supplies.
- 5.3 The Visiting Medical Officer shall be registered for GST purposes and shall have an Australian Business ("ABN"). The Visiting Medical Officer shall provide such details to the Area Health Service.
- 5.4 The Visiting Medical Officer agrees that the Area Health Service will gross up GST liable services in accordance with GST legislation. The Area Health Service will create tax invoices on the Visiting Medical Officer's behalf (being Recipient Created Tax Invoices). The Area Health Service shall provide the Visiting Medical Officer with a copy of the Recipient Created Tax Invoices at the time of payment of the service.

6. UNPAID LEAVE OF ABSENCE

- 6.1 The Visiting Medical Officer shall be entitled to unpaid leave of absence during any period the officer is unable to render services due to illness or special circumstances of an urgent or compassionate nature provided that the officer shall notify the Area Health Service of such incapacity as soon as is reasonably practicable.
- 6.2 The Visiting Medical Officer may have other periods of unpaid leave of absence at times agreed between the officer and the Area Health Service. The officer will give the Area Health Service reasonable written notice of proposed periods of leave of absence. The Area Health Service will not unreasonably withhold its agreement to proposed periods of leave of absence and will take into account the reasonable needs of the officer for reasons including professional development, continuing medical education and holidays.
- 6.3 Upon the receipt of reasonable written notice and in accordance with clause 6.2, the Area Health Service is to organise such alternative arrangements for the provision of medical services to public patients as the Area Health Service requires whilst the Visiting Medical Officer is on a leave of absence under this clause. At the request of the Area Health Service the officer will provide reasonable assistance to the Area Health Service in organising such arrangements.

7. RECORD OF SERVICES

- 7.1 The Visiting Medical Officer shall maintain a record of services rendered by the officer under the contract in accordance with the Rural Doctors Settlement Package and in a form agreed with the Area Health Service.

7.2 The record referred to in subclause 7.1 shall be maintained for each calendar month during which services are provided by the Visiting Medical Officer, and it shall be submitted to the Area Health Service in accordance with the Rural Doctors Settlement Package. Any claim made by the officer must be capable of being verified by the Area Health Service from the records held by the Area Health Service.

7.3 The record when so submitted pursuant to subclause 7.2 shall be accompanied by (or be) an account for payment. The Area Health Service in making payment of an account to the officer shall advise details of how the payment is made up as between the various services rendered.

8. SUSPENSION OF CONTRACT

8.1 Subject to Chapter 8 of the Health Services Act 1997, the board of the Area Health Service may suspend the appointment of the Visiting Medical Officer in accordance with any applicable by-laws where it is necessary in the interests of the hospital to which the officer is appointed.

8.2 Where the Visiting Medical Officer is so suspended, the respective rights and obligations of the parties under the contract shall be suspended for the duration of that suspension.

9. TERMINATION OF CONTRACT

9.1 Subject to Chapter 8 of the Health Services Act 1997 the contract shall be terminated:

9.1.1 upon the expiry of the period for which it was made or on such earlier date as may be agreed between the Visiting Medical Officer and the Area Health Service;

9.1.2 by three months' notice in writing given by either the Visiting Medical Officer or the Area Health Service;

9.1.3 if the Visiting Medical Officer ceases to be registered as a medical practitioner by the New South Wales Medical Board;

9.1.4 if a condition is placed on the Visiting Medical Officer's registration as a medical practitioner by the New South Wales Medical Board which in the opinion of the Area Health Service precludes the officer from providing any services of a kind or in a manner that is required under the contract;

9.1.5 if the Visiting Medical Officer becomes permanently mentally or physically incapable of rendering any of the services under the contract;

9.1.6 if the Visiting Medical Officer commits serious and wilful misconduct;
or

9.1.7 if the Visiting Medical Officer's appointment is terminated by operation of any Act or regulation.

9.2 On the termination of the contract, any amount due and payable to the Visiting Medical Officer pursuant to the contract shall be paid at the time of such termination or as soon thereafter as reasonably practicable.

10. DISPUTE RESOLUTION PROCEDURE

10.1 The objective of each stage of this procedure is to achieve a result which is fair and equitable in the circumstances. It is expected that both the Visiting Medical Officer and the Area Health Service will be prepared at all times to take part in bona fide negotiations to agree on such a result in any dispute between them without the necessity of taking it to a Liaison Committee for determination under subclause 10.8.

Stage 1 - Consultation

10.2 In the event of a dispute arising, the Visiting Medical Officer or the Area Health Service may give notice in writing to the other party identifying the matter or matters the subject of dispute.

10.3 As soon as practicable after the giving of notice under subclause 10.2 the parties shall meet to discuss the dispute and attempt to resolve it by a mutually agreed method.

Stage 2 - Hospital level

10.4 If the dispute is not resolved within 14 days after the giving of notice under subclause 10.2 or such further time as the parties may agree in writing, the hospital administration shall at the earliest practicable time and in any event within a further 14 days convene a meeting of the following participants:

- (i) the Visiting Medical Officer;
- (ii) the clinical head responsible for the Department or Unit in which the officer performs his or her duties (if such a position exists), otherwise a medical practitioner nominated by the executive officer/manager (however called) for the hospital at which the officer performs his or her duties;
- (iii) the executive officer/manager (however called) for the hospital at which the officer performs his or her duties or the nominee of the executive officer/manager;
- (iv) at the option of the Visiting Medical Officer, a representative of the Rural Doctors Association (NSW) Inc or an independent person of the officer's choice, not being a legal practitioner; and
- (v) such other persons as may be agreed by the parties to the dispute.

10.5 The meeting will consider the dispute with the objective of assisting the parties to resolve the dispute in a fair and equitable manner. With the consent of the parties the meeting may be continued on adjourned dates.

Stage 3 - Area Health Service level

10.6 If the dispute is not resolved within 14 days after the convening of the meeting under subclause 10.4 or such further time as the parties may agree in writing, the Area Health Service shall at the earliest practicable time and in any event within a further 14 days convene a meeting of the following participants:

- (i) the Visiting Medical Officer;
- (ii) an appropriate clinical head nominated by the relevant chief executive officer (however called) of the Area Health Service;
- (iii) an executive of the Area Health Service nominated by the relevant chief executive officer (however called) of the Area Health Service;
- (iv) at the option of the Visiting Medical Officer, a representative of the Rural Doctors Association (NSW) Inc or an independent person of the Visiting Medical Officer's choice, not being a legal practitioner.
- (v) such other persons as may be agreed by the parties to the dispute.

- 10.7 The meeting will consider the dispute with the objective of assisting the parties to resolve the dispute in a fair and equitable manner. With the consent of the parties the meeting may be continued on adjourned dates.

Stage 4 — Mediation by Disputes Committee

- 10.8 If the dispute is not resolved within 14 days after the convening of the meeting under sub-clause 10.6 or such other time as the parties may agree in writing, then the Visiting Medical Officer or the Area Health Service may serve a further notice in writing on the other referring the dispute to a Disputes Committee for mediation. Such dispute shall thereupon be and is hereby referred to a Disputes Committee for mediation.
- 10.9 A Disputes Committee will have a total of not more than six members of which there will be an equal number of nominees of the Rural Doctors Association (NSW) Inc and the Director-General of the NSW Department of Health.
- 10.10 A Disputes Committee may call on expert advice as and when necessary.
- 10.11 The cost of a Disputes Committee will be shared equally between the Visiting Medical Officer and the Area Health Service unless otherwise ordered by a Disputes Committee.
- 10.12 In any proceedings before a Disputes Committee, the Visiting Medical Officer and the Area Health Service shall have the right to appear in person or with the leave of a Disputes Committee be represented by an agent. However, no party is to be represented by a legal practitioner except with the consent of all parties and by leave of the Disputes Committee.
- 10.13 It is agreed between the parties that a Disputes Committee shall determine all questions arising for determination by reference to considerations of general justice and fairness.

Stage 5 — Arbitration

- 10.14 If the dispute is not resolved within 14 days after the appointment of the mediator or such other time as the parties may agree in writing, then the Officer or the Area Health Service may serve a further notice in writing on the other referring the dispute to arbitration. Such dispute shall thereupon be and is hereby referred to arbitration by a single arbitrator to be agreed upon by the Visiting Medical Officer and the Area Health Service or, in the absence of agreement, to be appointed by the President or other most senior bearer of the Council of the Law Society of New South Wales or its successor.
- 10.15 The arbitrator's fee shall be negotiated on the appointment of the arbitrator and shall be shared equally between the Visiting Medical Officer and the Area Health Service, unless otherwise ordered by the arbitrator.
- 10.16 The Visiting Medical Officer and the Area Health Service shall each appoint an assessor to sit with the arbitrator in a consultative capacity, but the determination shall be made solely by the arbitrator.
- 10.17 The Visiting Medical Officer and the Area Health Service shall have the right to appear before the arbitrator and may be represented by a barrister or by a solicitor or, with the leave of the arbitrator, by an agent.
- 10.18 At the request of the Visiting Medical Officer, the Rural Doctors Association (NSW Branch) shall be entitled to appear and be represented in the arbitration.

- 10.19 At the request of the Area Health Service, the NSW Department of Health shall be entitled to appear and be represented in the arbitration.
- 10.20 In the event of either the Rural Doctors Association (NSW Branch) or the NSW Department of Health appearing in the arbitration pursuant to a request under subclause 10.18 or 10.19, the other organisation shall be entitled to appear and be represented as of right.
- 10.21 It is agreed between the parties that the arbitrator shall determine all questions arising for determination in the course of the arbitration by reference to considerations of general justice and fairness.
- 10.22 The determination of the arbitrator shall be final and binding upon the Visiting Medical Officer and the Area Health Service.

Definitions

10.23 In this clause:

10.23.1 "dispute" means any dispute arising between the Visiting Medical Officer and the Area Health Service at any time as to any matter or thing of whatsoever nature arising under the contract or in connection herewith; including but not limited to matters relating to clinical privileges, but excluding a matter relating to the non-reappointment, suspension or termination of appointment of the Visiting Medical Officer;

10.23.2 "local hospital" means a health facility conducted by the Area Health Service at which the Visiting Medical Officer provides services under the contract.

11. NOTICES

Any notice required by the contract to be given in writing shall be properly served if delivered by hand to the addressee personally or if sent by prepaid registered mail, facsimile or telex transmission to the addressee at the address furnished in writing to the addressor, and shall be deemed to have been received by the addressee on the date of hand delivery or on the date the facsimile or telex transmission was recorded or seven days after the date of posting.

12. DEFINITIONS

In this contract:

"appointment" means appointment as a visiting medical officer and includes reappointment, and appointed and re-appointed have a corresponding meaning;

"area health service" means an area health service as defined in the Health Services Act;

"board" means a board of an area health service as defined in the Health Services Act;

"chief executive officer" means the chief executive officer of the Area health Service or his or her nominee.

"clinical privileges" means the clinical privileges as defined in Part 4 of Chapter 8 of the Health Services Act;

"fee-for-service contract" means fee-for-service contract as defined in the Health Services Act;

"GST" means Goods and Services Tax imposed in accordance with the A New Tax System (Goods and Services Tax) Act 1999, related Acts and Regulations;

"GST legislation" means the A New Tax System (Goods and Services Tax) Act 1999, and related Acts and Regulations;

"hospital" means a hospital as defined in the Health Services Act;

"medical practitioner" means a person registered for the time being under the Medical Practice Act 1992;

"officer" means the visiting medical officer;

"on-call" means rostered to be available to attend public patients pursuant to an on-call roster prepared by a hospital or an area health service, as the case may be in consultation with the relevant hospital.

"public patient" means a patient in respect of whom the hospital or area health service, as the case may be, provides comprehensive care, including all necessary medical, nursing and diagnostic services, by means of its own staff or by other agreed arrangements;

"Rural Doctors Settlement Package" means the rates on a fee-for-service basis of remuneration, agreed between the NSW Department of Health and the Rural Doctors Association (NSW) Inc and specified in Departmental instructions from time to time, in respect of certain services provided by visiting medical officers under modified fee-for-service contracts;

"service contract" means a service contract as defined in the Health Services Act;

"services" means medical services provided to a public patient by the visiting medical officer under a fee-for-service contract, including teaching, training and participation on committees, but excluding attendance at meetings of a medical staff council (howsoever called);

"visiting medical officer" means a visiting medical officer as defined in the Health Services Act who performs the said work under a fee-for-service contract, but excluding a pathologist and a radiologist; and

"visiting practitioner" means a visiting practitioner as defined in the Health Services Act

NOTE Other conditions of appointment

Any other conditions to which the Visiting Medical Officer's appointment is subject are required to be specified in the service contract if they are to have effect.

SIGNED for and on behalf of)
the Area Health Service)

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SIGNED by the Visiting Medical)
Officer)

.....

Visiting Medical Officer

SCHEDULE 1

Name and Address of Hospital(s)	Clinical privileges granted to the Visiting Medical Officer in respect of specified hospital(s)
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SCHEDULE 2

Medical services to be provided to public patients
(under clause 2.1 of the contract)