

Hon Tony Ryall

Minister of Health

Minister of State Services

23 February 2009



Health Voluntary Bonding Scheme

Background

Who is eligible for the scheme?

The voluntary bonding scheme is primarily designed for New Zealand graduates who are starting out in their first year of postgraduate training. However, as part of a transition phase, the 2009 scheme will be opened up to any New Zealand trained doctor, nurse or midwife who has graduated since 2005 but it does not apply retrospectively.

Doctors who graduated in 2008 will need to be willing to work in a hard-to-staff hospital for their first two work years. Then in their third year they will have to commit to a hard to staff specialty. It is recognised they may need to move to another hospital to train in that specialty. Therefore the specialty training required for the voluntary bonding scheme could occur outside the designated hard to staff locations.

Nursing graduates will need to be willing to work in a hard to staff specialty irrespective of location and midwifery graduates will need to be willing to work in a hard to staff location for three to five years.

Full details about the eligibility criteria are at www.moh.govt.nz/bonding

What are the hard to staff areas and specialties?

These vary according to the profession and were defined after receiving feedback from the health sector. They may change as the scheme responds to changing needs.

For Doctors in their first two years after graduation hard to staff areas are: Southland DHB, West Coast DHB, Whanganui DHB, Northland DHB, Wairarapa DHB, Lakes DHB, Tairāwhiti DHB, Wairau Hospital (Nelson Marlborough DHB) Whakatane Hospital (Bay of Plenty DHB) and Thames Hospital (Waikato DHB)

For Doctors in years 3, 4 and 5 after graduation hard to staff areas are: General Practitioner, General Surgeon, Internal Medicine Physician, Psychiatry and Pathology.

For Nurses hard to staff specialties are: Theatre, Intensive Care (ICU) and Cardiothoracic nursing.

For Midwives hard to staff communities are: Southland DHB, West Coast DHB, Whanganui DHB, Northland DHB, Wairarapa DHB, Counties Manukau DHB, Capital Coast

DHB, Tairāwhiti DHB, Dargaville (Northland DHB) and Taupo (Lakes DHB).

What will eligible people be entitled to?

Individuals who are confirmed in the scheme will receive their first payment after three years of working in hard to staff areas. Per annum payments will apply for the following two years.

For 2005 to 2008 graduates the following payments will apply:

Doctors \$15,873 a year (\$10,000 after tax)

Midwives \$5,224 a year (\$3,500 after tax)

Nurses \$4,229 a year (\$2,833 after tax)

The scheme will cost \$7m in 2011/12 – the first year when payments will be made from the scheme, growing to \$10m in 2013/14 for each year after that.

How will payment be made?

The first payment will be made at the end of a 3 year period – for graduates entering the scheme in 2009, the first payment will be in 2011/12 financial year.

What were the payments based on?

The bonding scheme is designed to provide sufficient payment to allow a doctor, midwife or nurse to pay off their loan between four and five years including the graduate's compulsory repayments.

How do people find out more?

Individuals can register interest in the scheme from today (23 February) until the end of May. Registration and enrolment is available electronically.

To do so go to: www.moh.govt.nz/bonding