

Practice messages – 25/26 funding

A \$175m investment in general practice was announced by Health Minister Simeon Brown this week, following PSAAP negotiations between PHOs, contracted providers and Health New Zealand.

An additional \$59m will go into baseline capitation, while \$90m will be allocated to ‘contingent capitation’ which reflects the Government’s focus on payment for delivery and outcomes rather than for inputs.

\$60m is allocated for practice data sharing, acknowledging the need for better and more consistent visibility of general practice activity to inform planning and resourcing. Data is likely to include workforce information, waiting times for appointments and core health status information.

It will be assumed that practices will participate in data-sharing but all will have an opportunity to opt off, as will individual patients where the practice has opted in. Details will be worked through over the coming months in anticipation of data sharing beginning at the end of 2025. The first steps will include establishment of a data governance group with clear terms of reference and development of a detailed data framework, alongside consideration of ‘social license’ processes.

\$30m is allocated to performance, which in 2025/26 will be achievement of six-week immunisation rates at 3 months, measured on a 12-month rolling basis. Partial payments will be made to recognise improvement, with a 95% target where achievement is over 85%, and an 85% target where achievement is below 85%.

Any underspends will remain in primary care.

The bulk of nurse pay disparity funding totalling \$39m, which many practices already receive, will also be folded into baseline capitation, and paid on an ESU basis.

As part of the package patient co-payments can increase by up to 3% before triggering fees review. A practice opting out of data-sharing may increase fees by up to 6.43%, which reflects the independently calculated cost-pressure on general practice.

VLCA practice maximum co-payments will increase from 1 July from \$19.50 to \$20 for patients who hold a Community Services Card, and to \$30.50 for patients without a CSC.

Immunisation funding will increase by 6.43% to \$27.50 for flu and COVID and \$46 for childhood immunisations. A co-administration fee of \$20.52 will be payable for all immunisations, which will be funded from nurse pay disparity funding.

Rural funding will increase by 6.43%. Equity adjuster funding will remain in 2025/26, with a 3% uplift.

There will be no increase to flexible funding lines (Services to Improve Access, Health Promotion) or to the PHO management fees. However, \$1.2m from nurse pay disparity funding will be added to SIA.

24-month-old immunisation rates will remain the sole incentivised system level measure, with at least 65% of funding to be passed directly to practices as cash.

Payments at the increased rate will be made from July. Further details will be provided over the coming week.

DATA SHARING – ADDITIONAL MESSAGES FOR PRACTICES

Health New Zealand is developing a new primary care data repository to support system-wide planning and performance monitoring. It will not be used for clinical decision-making but will help inform decisions around workforce, service delivery, funding, and access – supporting better outcomes across the sector.

It is important that data on the activity of general practice is more visible in the health system – currently the extent of our mahi isn't fully available to our funders and decision makers. Providing more insight into activity will better demonstrate the value of general practice and support future planning and investment.

There will be a strong data governance function established, with representation from Primary Health Organisations, including Te Kāhui Hauora Māori, contracted providers (general practice) and Health NZ and one consumer member nominated by the Health Quality Safety Commission.

The data governance group will finalise aspects such as the specific data that practices will provide, how it will be provided and parameters around how the data will be shared and used – including who can access it. It will be managed in accordance with the Privacy Act and Health Information Privacy Code and will not include any financial data or personal consultation notes.

The start date for data sharing is yet to be determined, but we expect it will be before the end of this calendar year.

Practices are automatically opted in – if you do not wish to participate then you need to let your PHO know. Your PHO will let you know have more details as these are developed.

If Health NZ make a change to the data specifications it will be clearly communicated, with the opportunity to opt out available before any changes come into effect.

Patient messages - funding and fee increases

The funding boost from the government for the 2025-2026 financial year is a big step in the right direction, helping us to address the cost pressure general practices continually face, and crucially it means we can limit the increase in patient fees in the year ahead.

Some parts of the funding package announced by the Minister of Health are conditional. This includes a new target for immunisation of six week old babies, which we will continue to strive to achieve, in order to protect the most vulnerable members of our community.

Health New Zealand also plans to establish a new general practice data repository to give more visibility of our work, and support future planning and funding decisions. This data sharing will not include any patient notes and will be subject to strict governance, including complying with the existing Privacy Act and Health Information Privacy Code. We will be in touch with more information about next steps as more details are developed.

Being part of the data- sharing arrangements and demonstrating improvement in our childhood immunisations will increase the overall funding our practice receives, which help us to limit the patient fee increases we need to make this year.

Patient fees

The additional funding from Government this year enables practices to limit the increase in the fees patients need to pay.

Core general practice services continue to be free for children aged under 14.

VLCA practices

If you have a Community Services Card the maximum fee will increase slightly from \$19.50 to \$20.

For those patients who do not have a Community Services Card the new maximum fee will be \$30.50.

Non-VLCA practices

Age range	Current fee		New fee from 1 July 2025	
	Without CSC	With CSC	Without CSC	With CSC
Under 6 years	Free	Free	Free	Free
6 - 13 years	Free	Free	Free	Free
14 - 17 years		\$19.50		
18 - 24 years		\$19.50		
25 - 44 years		\$19.50		
45 - 64 years		\$19.50		
65+ years		\$19.50		

ADDITIONAL DATA MESSAGES FOR PATIENTS

Health New Zealand wants to improve understanding of the work that happens in general practices, in order to help with future decision-making around funding, workforce planning and service development.

A new system is being set up to collect information from general practices, such as appointment waiting times, staffing numbers and the general health status of patients. Your privacy is always a priority. All data will be handled according to the Privacy Act and the Health Information Privacy Code. No patient notes or identifiable information will be shared, nor can the data be used to make decisions about your individual care.

In return for participating in the national data-sharing more funding will be available to practices.

Strict rules will be in place about what data is collected, how it's stored and used, and who can access it. A national governance group, including GPs, Māori health representatives, PHOs and a consumer representative will oversee this.

We'll keep you informed as more details are confirmed over the next few months. It's your choice as to whether you are willing to have your data included, and we'll give you the option of opting out before the new data-sharing arrangements begin.