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## Auckland Region Policy

### Continuing Medical Education (CME) Expenditure for RMOs covered by STONZ MECA

Document Type	Policy
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District Health Boards	Auckland District Health Board Counties Manukau Health Waitemata District Health Board
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Staff members affected	Registrars covered by the STONZ MECA
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## DEFINITIONS

**Definitions** The following terms are used within this document:

Term	Definition
Auckland Region	Waitemata DHB, Auckland DHB, Counties Manukau DHB
CME	Continuing Medical Education
Grossed Up	Grossed up is the term used for calculating the tax (PAYE) payable on a net amount
GST	Good and Services Tax
IT	Internet Technology
NRA	Northern Regional Alliance Limited
RMO	Resident Medical Officer
PAYE	Pay As You Earn
STONZ	Specialty Trainees of New Zealand
STONZ MECA	Specialty Trainees of New Zealand and 20 District Health Boards Multi-Employer Collective Agreement 10 December 2020 to 13 December 2021
Tax Invoice	A legal document that shows the GST component for a transaction

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## OVERVIEW

<b>Content</b>	This document covers the following topics relating to CME expenditure for Resident Medical Officers (RMO's) covered under the Specialty Trainees of New Zealand Multi Employer Collective Agreement (STONZ MECA)
<b>Objectives</b>	To specify the Auckland Region policy in respect of CME expenses which may be claimed under the STONZ MECA.
<b>Scope</b>	<p>This policy relates to Registrar CME expenditure only.</p> <p>For reimbursement of all other RMO travel and training related expenditure refer to:</p> <ul style="list-style-type: none"><li>• STONZ MECA clauses 7.0, 8.0, 10.6, 10.7 and 10.8</li><li>• Reimbursement guidelines set out on the NRA Reimbursement Claim Form and DHB-STONZ National Manual</li><li>• The reimbursement lists available in Clause 10 of the STONZ National Manual on the TAS website at the following link: <a href="https://tas.health.nz/employment-and-capability-building/employment-relations/stonz-national-manual/">https://tas.health.nz/employment-and-capability-building/employment-relations/stonz-national-manual/</a></li></ul>
<b>Responsibility</b>	<p>The NRA are responsible for:</p> <ul style="list-style-type: none"><li>• complying with the policy;</li><li>• ensuring Registrars comply with this policy; and</li><li>• ensuring that expenses incurred under CME entitlements are reasonable</li><li>• escalation of claims where outside agreed guidelines</li></ul>
<b>Quality Assurance &amp; Audit</b>	This policy once approved will be subject to Regional Internal Audit compliance monitoring.

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## COVERAGE

This policy covers the CME entitlements for all Registrars in the Auckland Region who are covered by the STONZ MECA (refer clause 10.8.2 and 10.8.3).

House Officers across the Auckland Region covered by the STONZ MECA have no CME entitlement and are therefore not covered by this policy.

## PRINCIPLES

### General

All registrars (full time and part time basis), whether on a vocational training programme or not, will be entitled to \$2,000 CME expenses per annum for each full year of service with effect from 10 December 2018.

Registrars are required to have completed 12 months continuous service in a DHB before receiving entitlement.

The CME entitlement may be accrued up to a maximum of \$6,000 and may be transferred between DHB employments, provided the maximum does not exceed this amount.

The NRA will notify registrars of their CME balance at 10 December each year. The CME balance will be recorded on the registrar's certificate of service when they resign and leave employment in the Auckland region.

Registrars who rotate into the Auckland region from another DHB are required to provide to the NRA a copy of their certificate of service documenting their current CME balance. Claims for CME expenses will not be processed or approved until this information has been received.

### Common Anniversary of 10 December

All registrars will have a common anniversary of 10 December each year. The annual CME entitlement will be pro rata in the first common anniversary year where:

- The registrar already has 12 months continuous service in a DHB at the date they become covered by the STONZ MECA, where this is after the common anniversary of 10 December. The first full entitlement will fall due on the next common anniversary date the following year.
- The registrar completes 12 months continuous service and becomes eligible part way through the common anniversary year. The first full entitlement will fall due on the next common anniversary date the following year.

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## Claims for Expenditure

Claims for expenditure will be recorded against the CME entitlement based on the date the cost is incurred.

If a Registrar wishes to purchase an item not specified in the STONZ MECA, prior approval will need to be obtained from the NRA.

Registrars can only purchase one item of each from the following list within a 2 year period. These IT related items must be purchased in New Zealand:

- Laptop
- Tablet or similar (i.e. iPad)
- Mobile phone
- Mobile devices

The DHBs do not insure for items of technology purchased with CME funds.

Claims older than 6 months will not be reimbursed.

CME claims cannot exceed the CME balance. Advances to CME entitlements are not permitted.

Where the Registrar has a CME balance, but the total cost of the purchase exceeds the available CME balance, the amount reimbursed will be capped to the available CME balance for that year.

Where the amount reimbursed is capped, the GST and grossed up costs (where applicable) will be re-calculated based on the available CME balance. See the Frequently Asked Questions Guide for examples of how this will be re-calculated.

## Tax Treatment for IT Related Purchases

IT related purchases will be taxed according to current income tax legislation. These items are deemed to be equivalent to a salary payment and are subject to PAYE.

IT purchases will be grossed up and reimbursement of costs paid by payroll. Tax treatment through payroll includes:

- PAYE (taxed at extra emolument rate and ACC Earners Levy)
- Kiwisaver (employee and employer contributions)
- Student Loans

## Deductions from CME Balance

Any purchases made overseas will have the total cost deducted from the CME balance.

Any purchases which are made in New Zealand and not IT related, will not have GST deducted from the CME balance.

Any purchases which are IT related will have the following deducted from the CME balance:

- Net cost and GST portion
- PAYE – grossed up (total cost including GST noting highest tax rate at 1 April 2021 is 39%)
- Kiwisaver – employee (at applicable contribution rate) and employer (3%) contributions

## What can be claimed

Item	STONZ MECA	Comments	Amount deducted from CME is based on where purchased	
			NZ	Overseas
Textbooks not on the required reading list	Yes	For costs where Registrar cannot claim as a training related expense under clause 10.8 Includes any applicable import taxes which will be deducted off the CME balance	Cost of item excluding GST deducted from CME	Total cost deducted from CME
Subscriptions to medical journals / vocational education websites	Yes	For costs where Registrar cannot claim as a training related expense under clause 10.8	Cost of item excluding GST deducted from CME	Total cost deducted from CME
Any personal surgical/medical equipment	Yes	Includes any applicable import taxes which will be deducted off the CME balance	Cost of item excluding GST deducted from CME	Total cost deducted from CME
Conferences	Yes	Would be used where Registrar cannot claim under conference leave clause 8.1 because they aren't eligible	Cost of item excluding GST deducted from CME	Total cost deducted from CME
Accommodation for conferences	Yes		Cost of item excluding GST deducted from CME	Total cost deducted from CME
Airfares to conferences	Yes		Cost of item excluding GST deducted from CME	Total cost deducted from CME
Taxis to and from conferences	Yes		Cost of item excluding GST deducted from CME	Total cost deducted from CME
Computers/Laptops/ Tablets or similar devices i.e. iPad	Yes	One item of each per every 2 years	Grossed up cost of item including GST & Kiwisaver deducted from CME	N/A
Mobile phones	Yes	One item per every 2 years	Grossed up cost of item including GST & Kiwisaver deducted from CME	N/A
Software	Yes	Work related applications only	Grossed up cost of item including GST & Kiwisaver deducted from CME	Total cost plus Kiwisaver deducted from CME
Accessories – keyboard, mouse, laptop bag	Yes	Limited to reasonable accessories only	Grossed up cost of item including GST & Kiwisaver deducted from CME	Total cost plus Kiwisaver deducted from CME

## What cannot be claimed

- Airline lounge memberships
- Alcohol while attending conferences
- Payment for spouse/partner or other family member to travel
- Meals
- Phone Plans
- Donations
- Fees associated with visa immigration requirements
- Insurance against damage, loss or theft for items of technology
- Clothing or footwear

## Reimbursement Process

The process for making claims and receiving reimbursement is:

Stage	Description
1.	Where CME purchase is not in the list of approved items detailed in this policy RMO seeks pre-approval of from NRA prior to purchase
2.	NRA confirms whether the CME purchase requiring pre-approval will be reimbursed
3.	RMO purchases CME item
4.	RMO submits claim for reimbursement of CME expense to the NRA on the template claim form with all required documentation / receipts
5.	NRA reviews claim to confirm whether CME balance is available and purchase is approved
6.	NRA processes payment for approved claims that are not IT related
7.	NRA forwards IT related purchases to payroll for payment
8.	Payroll processes IT related CME reimbursements received from NRA



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## RESPONSIBILITIES

### Responsibilities for CME and Associated Travel

- Registrars** All applications for CME must be sent to Northern Regional Alliance (NRA) for approval and payment.
- Applications must be submitted on the NRA CME claim form and include a GST tax invoice (or an overseas equivalent of a tax invoice) and proof of payment for all purchases including travel, accommodation and taxi's.
- Any purchases which are not covered by the STONZ MECA or deemed unreasonable will not be refunded.
- Registrars who rotate into the Auckland region from another DHB are required to provide to the NRA a copy of their certificate of service detailing their current CME balance from their prior employing DHB.
- Registrars must provide additional documentation to NRA if requested.
- NRA** Administration of this policy in compliance with the STONZ MECA.
- Assess and approve applications against the approved list of items for purchase.
- Manage refund of expenditure to the RMO for all items except IT related purchases. All IT related purchases that need to be grossed up and have PAYE deducted will be forwarded to payroll for processing of payments to the RMO.
- Manage the CME balances for all RMOs covered by this policy.
- Notifying registrars of CME balance at 10 December each year and on exit from the Auckland region.
- Manage queries from RMO's in relation to CME expenditure and balances.
- The charge back of costs for CME expenditure to the Auckland Region DHBs in accordance with agreed process and timelines.
- DHB Payroll** Manage refund of expenditure to RMO for IT related purchases that need to be grossed up and have PAYE deducted following receipt of approved claim from NRA.
- DHB Finance** The transfer of funds to NRA for CME expenditure (non IT related purchases) in accordance with agreed process and timelines.

## ASSOCIATED DOCUMENTS

### Associated Documents

The table below indicates other documents associated with this policy.

Type	Document Titles
Policies	DHB Travel and Accommodation DHB Work Related Expenses
Legislation	Crown Entities Act 2004 Goods and Services Taxes Act 1985 Financial Reporting Act 2013 Public Records Act 2005 Treasury Instructions 2016
Collective Agreements	Specialty Trainees of New Zealand and 20 District Health Board Multi Employer Collective Agreement 10 December 2020 to 13 December 2021
Template Forms	NRA RMO STONZ CME Claim Form
Guides / Supporting Documentation	Clause 10 of the DHB-STONZ National Manual available on the TAS website <a href="#">here</a> which includes frequently asked questions and scenarios



## FOR PAYROLL PURPOSES

Item	Comments	Amount deducted from CME		
		NZ	Overseas	Payroll/Finance
Textbooks not on the required reading list	For costs where Registrar cannot claim as a training related expense under clause 10.8 Includes any applicable import taxes which will be deducted off the CME balance	Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Subscriptions to medical journals /vocational education websites	For costs where Registrar cannot claim as a training related expense under clause 10.8	Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Any personal surgical/medical equipment	Includes any applicable import taxes which will be deducted off the CME balance	Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Conferences	Would be used where Registrar cannot claim under conference leave clause 8.1 because they aren't eligible	Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Accommodation for conferences		Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Airfares to conferences		Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Taxis to and from conferences		Cost of item excluding GST deducted from CME	Total cost deducted from CME	FBT
Computers / Laptops / Tablets or similar devices i.e. iPad	One item of each per every 2 years	Grossed up cost of item including GST & Kiwisaver deducted from CME	N/A	Grossed up net and deduct PAYE, Kiwisaver and Student Loan
Mobile phones	One item per every 2 years	Grossed up cost of item including GST & Kiwisaver deducted from CME	N/A	Gross up net and deduct PAYE, Kiwisaver and Student Loan
Software	Work related applications only	Grossed up cost of item including GST & Kiwisaver deducted from CME	Total cost plus Kiwisaver deducted from CME	Gross up net and deduct PAYE, Kiwisaver and Student Loan
Accessories – keyboard, mouse, laptop bag	Limited to reasonable accessories only	Grossed up cost of item including GST and Kiwisaver deducted from CME	Total cost plus Kiwisaver deducted from CME	Gross up net and deduct PAYE, Kiwisaver and Student Loan