

PAYING CONSUMERS INVOLVED IN ENGAGEMENT ACTIVITIES

January 2022

BACKGROUND

The [Consumer Engagement Framework](#) ('Framework') highlights our commitment to work with consumers. The Framework sets out six key principles for engaging with consumers. The principle of 'Leadership and Support' encourages payment of consumers for their time and input.

Purpose

The Framework has found a need for a standard way to determine the cost and payment method for consumers.

This policy sets out NPS MedicineWise's commitment to pay consumers for their participation by offering:

- an hourly rate payment when involved in decision making processes
- \$50 voucher when invited to reflect on and share their personal experience
- payment for travel and accommodation costs to allow individuals to take part
- refund any reasonable associated out of pocket expenses.

This policy sets out when and how much NPS MedicineWise will pay consumers, so that:

- consumers understand NPS MedicineWise's position before working with us
- NPS MedicineWise staff can plan and budget for consumer engagement activities.

Definitions

- **Consumers** are people who use, or may use, health services (including their family and carers). Consumers may take part as individuals, groups, consumer organisations, consumer representatives or communities.
- **Consumer engagement** describes any activity seeking consumer input in our work. It includes advisory groups, project work, focus groups, consumer interviews and many others.

Advantages and disadvantages of paying consumers

Paying consumers is best practice. Many health organisations recommend paying consumers and/or refunding expenses for their work.

There are many benefits to paying consumers, including:

- Showing appreciation and respect
- It's a way to be accountable to consumers
- Making it easier to attract or recruit consumers
- Making it easier or possible for low-income consumers to take part
- It's a way to compensate consumers if they miss paid employment to take part
- Helping to provide a sense of equity at the table (when professionals and staff are being paid)
- Recognising the valuable, specialised and expert contributions made by consumers.

Some disadvantages documented in the literature include:

- Risk of people signing up for payment instead of genuine interest
- Potential for growing expectation of payment for any type of participation
- Possibility of bias – participants may feel less independent and provide a biased opinion
- Added costs to projects
- Processing payments may be an extra and onerous task (for consumers and staff).

Principles for paying consumers

In general, NPS MedicineWise should pay consumer and may refund expenses for their contribution. At the very least consumers should not be out of pocket for their involvement.

Also, follow the principles below:

- use the same decision-making process each time to determine when, how and what to pay consumers
- pay consumers at the same rate as health professionals for the same task (unless there is an expected difference in skills or role within the activity e.g. clinical expert opinion and review)
- before the consumer starts working with us:
 - explain payment arrangement
 - set up payment processes
- consumers have the option of opting out of payment. Offer and pay consumers for future activities, even if they have chosen no payment for one activity.

Other legal and contractual considerations

Department of Health

The Department of Health QUM Grant Agreement only allows us to spend funds on approved workplans and budgets. It prohibits spending on gifts, entertainment or bonuses, including gift cards (unless approved in advance, in writing, by the Commonwealth).

To meet Grant Agreement obligations, you must:

- Highlight payments to consumers in workplans. If you need vouchers, include the number of vouchers required and associated value (\$)
- Include funds for paying consumers in the project budget. Where required, provide a separate line item for vouchers.
- Complete a [Request for approval of gift voucher purchase form](#) each time vouchers are needed.

New Business

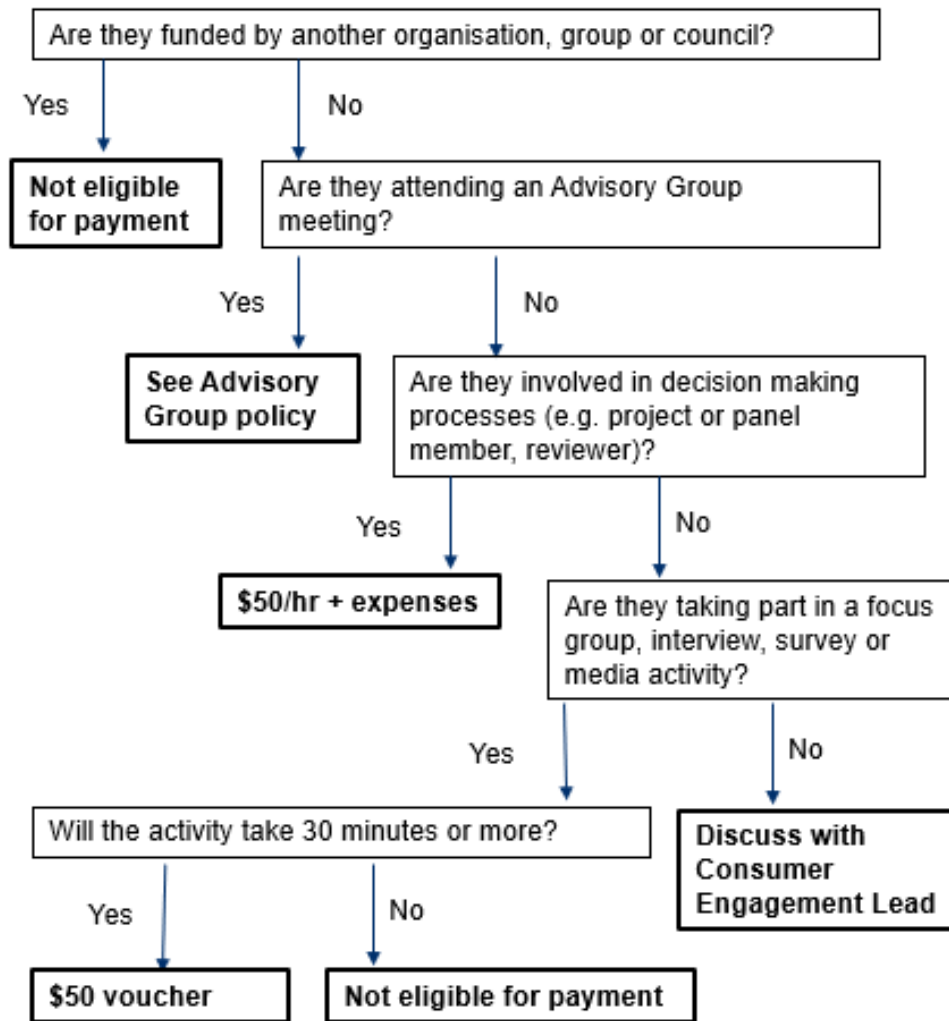
For all non-QUM Grant activities, the legal Agreement lists specific limitations or restrictions. First consult the Agreement. If you are unsure consult the Legal, Governance and Risk Manager.

WHEN TO PAY AND HOW MUCH

Use the diagram below to determine when to offer payment, how much and the recommended method.

The recommendations balance:

- The level of contribution made by the consumer
- How much similar organisations pay consumers as well as National and State level guidelines
- contractual requirements and administrative burden to both NPS MedicineWise and consumers.



PAYMENT PROCESSES

It is essential to process payments promptly. Consumers should not have to follow up on outstanding payments.

Voucher system

Gift Pay Express allows us to send vouchers electronically via email to individuals. A range of vouchers are available (e.g., food, furniture, homewares, entertainment, travel).

For consumers who do not have access to email, you will need to make alternative arrangements.

1. Planning stage

When developing the workplan and budget, complete a [Request for approval of gift voucher purchase form](#) each time vouchers are needed.

2. Before working with consumers

- a) check there are funds available for vouchers
- b) track the number of vouchers you need. Using this [Voucher tracking spreadsheet](#) can be helpful.

3. After working with consumers

- a) arrange for electronic delivery of a voucher via Gift Pay Express
- b) record the name of the consumer, date & amount paid. If there is a Voucher tracking spreadsheet, you can record this information there.

Expenses

Below is a list of expenses that may be refunded:

- travel costs
- parking
- meals
- carer respite
- childcare
- printing and materials costs.

NPS MedicineWise must approve all expenses in writing and in advance. Provide GST receipt(s) or other documents to support the claim.

For some significant expenses e.g., interstate travel, it may be preferable for NPS MedicineWise to pay for them directly.

Sitting fees and project work

After a financial review, NPS MedicineWise can no longer pay consumers and/or advisory members using the payroll system. In response to this, the payment process changed from 1 January 2022.

Setting up new consumers

STEP 1: All consumers (except those paid vouchers only) need to complete the [Payment Arrangements Form](#).

STEP 2: Extra forms consumers need to complete depends on which option they selected in the *Payment Arrangements Form*. Use the table below to find out what extra forms you need to provide. Lower the burden on consumers and pre-fill forms (where possible) from information they have already provided.

	New Vendor Form (page 1)	RCTI Agreement (page 2)	Statement by Supplier ATO
Option 1 – Business (ABN AND GST)	Yes	Yes	No
Option 2 – Business (ABN NOT GST)	Yes	No	No
Option 3 – Personal (NO ABN)	Yes	No	Yes
Option 4 – Reimbursement of expenses ONLY	Yes	No	Yes (if No ABN)
Option 5 – NO Payment	No	No	No

Processing payments

Before processing a payment, contact the Finance Team (payables@nps.org.au) to find out:

- if the consumer has already been set up in system
- which of the payment options they selected
- their vendor number.

Use the table below to find out what forms and processes consumers and staff need to complete for **EACH** payment.

	Consumer	Staff	
	Invoice *	Raise PR in D365	<i>Payment Form</i> [#]
Option 1 – Business (ABN AND GST)	No	Yes	Yes
Option 2 – Business (ABN NOT GST)	Yes	Yes	Yes
Option 3 – Personal (NO ABN)	Yes	Yes	Yes
Option 4 – Reimbursement of expenses ONLY	Yes (provide invoice of expense)	Yes	Yes
Option 5 – NO Payment	No	No	Yes

* NPS MedicineWise staff should pre-fill yellow highlighted areas of the invoice (where possible) to lower the burden on consumers. Consumers should complete the blue highlighted areas.

There are two payment forms depending on the rate you are paying the consumer:

- [Sitting Fee Payment Form](#)
- [Consumer Participation Fee Payment Form](#)

HOW HAS THIS DOCUMENT BEEN DEVELOPED?

Acknowledgements

I would like to acknowledge the contribution of many external stakeholder in developing this policy and thank you for your contribution.

Name	Organisation/ role
Ghislaine Martin	Consumers Health Forum
Anne McKenzie	Telethon Kids
Tere Dawson	Health Issues Centre
Helen Belcher	Consumer Representative
Tim Benson	Consumer Representative
Michael Cousins	Consumer Representative
John Stubbs	Consumer Representative
Judy Gregurke	NPS MedicineWise Board member

A variety of NPS MedicineWise staff members were also consulted:

Name	Role
Robyn Lindner	Partnerships and Stakeholder Relationship Manager
Ronan Smyth	Business Operations Manager
Dilly Coomaraswamy	Chief Financial Officer
Jakeline Duenas	Payroll Officer
Huiny Japar	Senior Account Payable Officer
Peter Noble	Legal, Governance and Risk Manager
Fin O'Reilly	Senior Project Manager

Existing policies and resources

A number of existing Australian and international policies were reviewed to inform how other organisations have approached this topic and what is widely accepted as best practice

The tables below list the Australian national, State based and international resources that were consulted.

Title	Organisation
Your entitlements as a consumer representative	Consumers Health Forum of Australia
Paid participation policy	National Mental Health Commission Australian Government
Paying and reimbursing consumers	Health Issues Centre
Remuneration and reimbursement of health consumers	Health Consumers NSW
Remuneration and reimbursement of health consumers,	Health Consumers QLD
Remuneration and reimbursement of health consumers	Health Consumers Alliance of SA Inc
Consumer Participation Toolkit	Victoria Integrated Cancer Services
A guide to consumer remuneration	Safer Care Victoria
Paying consumers	Victorian Comprehensive Cancer Centre
Consumer and Carers Paid Participation	Mental Health Commission of NSW
Honorarium Guidelines	Telethon Kids

International resources

Title	Organisation	Country
Should money come into it?	The Change Foundation	Canada
Budgeting for involvement: Practical advice on budgeting for actively involving the public in research studies	INVOLVE, National Institute for Health Research	United Kingdom

Rates of remuneration and reimbursement

Consumers Health Forum of Australia do not have a specific rate that they use, however they recommend \$83.60 per hour or \$418 per day (over 5 hours) which is based on Australian Government Remuneration Tribunal recommendations. They do insist on payment for ad hoc activities.

Practice in relation to payment differs across other organisations too, however many are also based on State or National Guidelines and depend on the level of contribution made by consumers. The table below summarises practice for a range of organisations.

Organisation	Rate	Notes
Health Consumers NSW	\$42.03 per hour including preparation time + expenses	Based on Classification and Remuneration Framework for NSW Government Boards and Committees Amount increased by 2.5 percent annually
Health Consumers QLD	\$40 per hour including preparation time	Based on Guidelines for Consumer Representatives on Statewide Clinical Network Steering Committees, 2008
Victorian Comprehensive Cancer Centre	\$194 (≥ 4h) or \$97 (< 4h) for program and project involvement – liaison, advisor, team member, project governance \$50/hr for speaking engagements/panel member at events, reviewer roles in research, education, training and communication \$40/hr for participating in consultation activities such as focus groups, consultative workshops and interviews, storytelling to support communications, program development or delivery: interviews, writing, video-based.	Aligns with the Victorian Department of Premier and Cabinet's Appointment and Remuneration Guidelines
Health Consumers Alliance of SA Inc	travel expenses, light refreshments and a gift voucher	Hourly rate increased annually
Telethon Kids	\$35 per hour \$35 one off payment for attending 2 hr community conversation \$50 per hour for higher duties	Based on guidelines and policies from WA Department of Health, Mental Health Commission and Health Consumers Council WA
Safer Care Victoria	\$225 per day for project groups	
Mental health commission	\$83.60 per hour + expenses \$418 per day (over 5 hours) + expenses	Based on Australian Government Remuneration Tribunal Remuneration and Allowances for Holders of Part Time Public Office Determination, as "Offices not specified". Rates amended periodically Periods of travel are included in the overall hours preparation time is not included
Mental Health Commission NSW	\$220 per day	Based on NSW Public Service Commission's Classification and Remuneration Framework for NSW Boards and Committees

Document control

Current Version

This classification and other key details of this policy are listed below:

Title	Paying Consumers Involved in Engagement Activities
Security classification	INTERNAL
Document Owner	Consumer Engagement Lead
Approving Authority	Katherine Burchfield, CEO
Approval date	21/01/2022
Effective from	21/01/2022

Changes since last Published Version

The following changes have been made to this policy since the previous published version:

Section	Description of change
All	Updated in line with changes to payment processes. Language adjusted to reflect organisational readability requirements.