



**ACCIDENT INSURANCE (INSURERS' PAYMENTS FOR PUBLIC  
HEALTH ACUTE SERVICES) REGULATIONS 1999**

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MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 12th day of April 1999

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to sections 410 and 412 of the Accident Insurance Act 1998, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

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ANALYSIS

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| <ol style="list-style-type: none"> <li>1. Title and commencement</li> <li>2. Interpretation</li> <li>3. Meaning of "qualifying relevant employees"</li> <li>4. Amounts insurers must pay for public health acute services</li> <li>5. Amount payable by every insurer for work-related personal injuries</li> <li>6. Amount payable by manager for personal injuries other than work-related personal injuries</li> </ol> | <ol style="list-style-type: none"> <li>7. How insurers, other than manager, make payments</li> <li>8. How manager makes payments</li> <li>9. Prescribed interest rate</li> <li>10. Goods and services tax</li> </ol> |
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SCHEDULE

Amounts for Formula in Regulation 5

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REGULATIONS

**1. Title and commencement**—(1) These regulations may be cited as the Accident Insurance (Insurers' Payments for Public Health Acute Services) Regulations 1999.

(2) These regulations come into force on 1 July 1999.

**2. Interpretation**—In these regulations, unless the context otherwise requires,—

“The Act” means the Accident Insurance Act 1998:

“ANZSIC industrial classification” means an industrial classification in column 1 of the Schedule, which uses the industrial classifications at the 2-digit level from the *Australian and New Zealand Standard Industrial Classification (New Zealand Version) 1996*, published in June 1997 by Statistics New Zealand:

“Director-General” has the meaning given to it by section 2 (1) of the Health Act 1956:

“Insurer” has the meaning given to it by section 356 of the Act (excluding paragraph (b)):

“Non-work unit contribution” means \$14.44:

“Qualifying relevant employees” has the meaning given to it by regulation 3:

“Quarter” means a quarter of the specified year, as follows:

(a) A quarter starts on 1 July 1999 and ends at the close of 30 September 1999:

(b) A quarter starts on 1 October 1999 and ends at the close of 31 December 1999:

(c) A quarter starts on 1 January 2000 and ends at the close of 31 March 2000:

(d) A quarter starts on 1 April 2000 and ends at the close of 30 June 2000:

“Risk sharing agreement” means a risk sharing agreement as described in section 185 of the Act:

“Specified year” means the year starting on 1 July 1999 and ending at the close of 30 June 2000.

**3. Meaning of “qualifying relevant employees”**—(1) An employer’s relevant employees in a quarter consist of the group obtained by—

(a) Counting each individual person who regularly works 30 hours or more a week for that employer in the quarter, to get result A; and

(b) Counting each individual person who regularly works fewer than 30 hours a week for that employer in the quarter and dividing the number by 2, to get result B; and

(c) Adding result A and result B.

(2) An insurer’s relevant employees in a quarter (for an insurer other than the manager) are—

(a) All the relevant employees of all the employers with whom the insurer has an accident insurance contract in the quarter; plus

(b) All the self-employed persons and private domestic workers with whom the insurer has an accident insurance contract in the quarter.

(3) The manager’s relevant employees in a quarter are the self-employed persons or private domestic workers in respect of whom a premium is payable to the Self-Employed Work Account in the quarter.

(4) Every insurer must, every quarter, classify every one of the insurer’s relevant employees in an ANZSIC industrial classification. Each of the

insurer's relevant employees then becomes one of the insurer's qualifying relevant employees for the quarter.

(5) An insurer's qualifying relevant employees (for an insurer other than the manager) for a particular ANZSIC industrial classification for a quarter consist of the group identified in subclause (6) plus the group identified in subclause (7).

(6) This group is determined in relation to all the employers with whom the insurer has an accident insurance contract in the quarter. The group is those employers' relevant employees in the quarter, whom the insurer classifies for the quarter under the particular ANZSIC industrial classification.

(7) This group is the self-employed persons and private domestic workers with whom the insurer has an accident insurance contract in the quarter, whom the insurer classifies for the quarter under the particular ANZSIC industrial classification.

(8) The manager's qualifying relevant employees for a particular ANZSIC industrial classification for a quarter are the self-employed persons or private domestic workers in respect of whom a premium is payable to the Self-Employed Work Account in the quarter, whom the manager classifies for the quarter under the particular ANZSIC industrial classification.

(9) The numbers, in a quarter, of an employer's relevant employees, an insurer's relevant employees, and an insurer's qualifying relevant employees are the numbers estimated by the insurer in its return for the quarter filed with the Regulator under regulations made under section 406 (1) (a) of the Act.

#### **4. Amounts insurers must pay for public health acute services—**

(1) This regulation sets out the amounts insurers must pay to the Crown under section 362 (1) of the Act for the specified year.

(2) Every insurer must pay the amount determined under regulation 5 (1) for each quarter.

(3) An insurer (other than the manager) that has an accident insurance contract relating to 1 or more self-employed persons during a quarter must pay for the quarter, in addition to the amount required under subclause (2), one-fourth of the aggregated amount of the non-work unit contributions relating to those self-employed persons.

(4) An insurer (other than the manager) that has entered into a risk sharing agreement must pay the amounts required under this regulation regardless of the agreement.

(5) The manager must pay for each quarter, in addition to the amount required under subclause (2), one-fourth of the amount required under regulation 6.

#### **5. Amount payable by every insurer for work-related personal injuries—**(1) The Regulator determines the amount that every insurer must pay under this regulation for each quarter by—

(a) Applying the formula in subclause (3) to the insurer's qualifying relevant employees in a particular ANZSIC industrial classification for the quarter; and

(b) Repeating the application of the formula until it has been applied to all the ANZSIC classifications in which the insurer has qualifying relevant employees for the quarter; and

(c) Adding together all the results of the applications of the formula.

(2) The Regulator obtains the information he or she needs to apply the formula from the returns filed by insurers for the quarter under regulations made under section 406 (1)(a) of the Act.

(3) The formula is—

$$\frac{a}{b} \times c$$

where—

- a is one-fourth of the amount specified in column 2 of the Schedule opposite the ANZSIC industrial classification in column 1 in which the insurer has qualifying relevant employees; and
- b is the number of all insurers' qualifying relevant employees in that ANZSIC industrial classification; and
- c is the number of the insurer's qualifying relevant employees in that ANZSIC industrial classification.

(4) Within 10 days of the close of each quarter, the Regulator must give written notice to all affected insurers of the number that is item b in the formula for that quarter.

**6. Amount payable by manager for personal injuries other than work-related personal injuries—**(1) The amount that the manager must pay under this regulation is the total of the sums specified in subclause (2).

(2) The sums are—

- (a) \$39,171,000.00 from the Earners' Account;
- (b) \$39,135,000.00 from the Motor Vehicle Account;
- (c) \$124,123,000.00 from the Non-Earners' Account.

(3) Within 10 days of the close of each quarter, the Regulator must—

- (a) Take one-fourth of the sum in subclause (2) (a) and reduce it by one-fourth of the aggregate sum of the non-work unit contributions for all the self-employed persons who the Regulator determines to have had accident insurance contracts with an insurer in the quarter; and
- (b) Give the result to the Director-General.

(4) In making a determination under subclause (3) (a), the Regulator must have regard to the returns filed by insurers for that quarter under regulations made under section 406 (1) (a) of the Act.

**7. How insurers, other than manager, make payments—**(1) Within 10 days of the close of each quarter, the Regulator must issue every insurer with an invoice for the amounts required under regulation 4 (2) to (4).

(2) Every insurer must pay to the Regulator the amounts it owes within 20 days of the close of the quarter to which the invoice relates.

(3) The Regulator must pay the amounts into a Crown bank account as soon as practicable after receiving them.

**8. How manager makes payments—**(1) As soon as practicable after receiving a result under regulation 6 (3) (b), the Director-General must prepare an invoice for one-fourth of the amount required under regulation 6 and issue it to the manager.

(2) The manager must pay the amount to the Director-General within 10 days after the date of the invoice.

**9. Prescribed interest rate**—The interest rate on any amount not paid as required by these regulations is the interest rate prescribed under section 87 (3) of the Judicature Act 1908.

**10. Goods and services tax**—The amounts prescribed by these regulations are exclusive of goods and services tax.

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## SCHEDULE

Reg. 5

## AMOUNTS FOR FORMULA IN REGULATION 5

ANZSIC Industrial Classification		\$
A01	Agriculture	2,101,831.00
A02	Services to Agriculture; Hunting and Trapping	335,343.68
A03	Forestry and Logging	235,600.43
A04	Commercial Fishing	188,824.29
B11	Coal Mining	14,101.63
B12	Oil and Gas Extraction	3,439.42
B13	Metal Ore Mining	16,509.23
B14	Other Mining	41,617.01
B15	Services to Mining	9,630.38
C21	Food, Beverage and Tobacco	1,448,340.75
C22	Textile, Clothing, Footwear and Leather Manufacturing	348,413.48
C23	Wood and Paper Product Manufacturing	423,048.95
C24	Printing, Publishing and Recorded Media	307,828.30
C25	Petroleum, Coal, Chemical and Associated Product Manufacturing	265,523.41
C26	Non-Metallic Mineral Product Manufacturing	137,232.95
C27	Metal Product Manufacturing	591,236.70
C28	Machinery and Equipment Manufacturing	532,766.52
C29	Other Manufacturing	258,644.56
D36	Electricity and Gas Supply	116,596.42
D37	Water Supply, Sewerage and Drainage Services	58,470.18
E41	General Construction	855,728.28
E42	Construction Trade Services	1,441,461.91
F45	Basic Material Wholesaling	197,078.90
F46	Machinery and Motor Vehicle Wholesaling	193,639.48
F47	Personal and Household Good Wholesaling	311,267.72
G51	Food Retailing	672,407.07
G52	Personal and Household Good Retailing	478,767.59
G53	Motor Vehicle Retailing and Services	482,894.90
H57	Accommodation, Cafes and Restaurants	562,689.50
I61	Road Transport	589,860.93
I62	Rail Transport	75,667.29
I63	Water Transport	77,387.00
I64	Air and Space Transport	50,215.57
I65	Other Transport	45,744.32
I66	Services to Transport	231,473.12
I67	Storage	38,177.59
J71	Communication Services	423,736.83
K73	Finance	313,331.38
K74	Insurance	61,565.66
K75	Services to Finance and Insurance	64,317.20
L77	Property Services	176,786.31
L78	Business Services	1,042,144.97
M81	Government Administration	608,089.87
M82	Defence	177,474.19
N84	Education	549,275.75

SCHEDULE—*continued*AMOUNTS FOR FORMULA IN REGULATION 5—*continued*

ANZSIC Industrial Classification		\$
O86	Health Services	992,273.35
O87	Community Services	344,630.12
P91	Motion Picture, Radio and Television Services	45,056.43
P92	Libraries, Museums and the Arts	155,461.89
P93	Sport and Recreation	292,350.90
Q95	Personal Services	295,102.44
Q96	Other Services	340,502.81
Q97	Private Households Employing Staff	3,439.42

MARIE SHROFF,  
Clerk of the Executive Council.

## EXPLANATORY NOTE

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations prescribe the amounts that insurers must pay to the Crown to fund public health acute services, as required by section 362 of the Accident Insurance Act 1998.

The regulations come into force, contemporaneously with the Act, on 1 July 1999.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 15 April 1999.

These regulations are administered in the Department of Labour.