Music Therapy New Zealand

TE RŌPŪ PUORO WHAKAORA O AOTEAROA

Promoting public safety and wellbeing through ethical business relationships: Information for service providers.

Contents

Introduction

The following guidelines are provided to help those working in public facing roles which support wellbeing, health or education, develop positive relationships with those members of the public through the development of robust and ethical service agreements, role descriptions and financial processes.

Disclaimer

These guidelines have been prepared to provide general advice. The information is not intended to be legal, accounting or business advice. Music Therapy New Zealand cannot warrant its accuracy, completeness or suitability for your intended purpose.

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The information provided is not intended to cover all aspects or requirements when providing services to the public

General Guidelines

1. A therapist providing a service to the public should be registered with their relevant registration board or body and hold a current Annual Practising Certificate.
2. A NZ Registered Therapist must adhere to the Code of Ethics and/or Standards of Practice for their profession.
3. All service providers should have a signed contract with each of their employers or with those to whom they are considering contracting their services, before they begin work.
4. The title on the contract of employment for provision of services should be the professional title under which they are registered.
5. The salary or contract rate should be clearly specified.
6. For employees and people contracting to an organisation, the contract should be accompanied by a Job Description in which managerial and clinical responsibility should be clear. The management structure of the facility should be made explicit.
7. Pay should be commensurate with the level of qualification and experience.
8. An employer should meet statutory requirements regarding holidays, bereavement and sick leave, accident compensation etc. When providing services as a contractor, these requirements are the responsibility of that individual contractor.

Service Provider Responsibilities

Clinical Work

1. To receive and consider for suitability, referrals for your service.
2. To retain the right not to treat certain clients following an agreed assessment procedure, especially in cases where a provider's professional training and expertise suggest that service provision may be actively harmful to the client.
3. To determine responsibility for the management of caseloads and waiting lists as necessary.
4. To assess an individual's or group's needs and strengths and plan how the therapy programme will be carried out.
5. To gain written consent and/or assent to work with any individual or group.
6. To facilitate individual or group therapy sessions for clients.
7. To ensure the welfare of patient/student/client while in the therapy venue, and always to maintain good standards of care and professional conduct to assist in the promotion of an effective therapeutic environment.
8. To ensure hygiene is maintained in the therapy room, especially regarding the cleaning of equipment and resources.
9. To evaluate and document the effectiveness of sessions.
10. To ensure that accurate observations and records of all clinical work are kept, complying with relevant time frames for education or health sectors or other disciplines.
11. To be responsible for the appropriate destruction of expired observations and records as per the Privacy Act 2020.
12. To maintain patient/student/client confidentiality except within the multidisciplinary team responsible for treatment as permitted by law.
13. To understand the implications and application of the Health Information Privacy Code 2020 to work with service users.
14. To keep up to date with the legislative and compliance requirements relevant to the service provider's profession.

15. To write reports as required and ensure these are made available to other team members whenever required.
16. To maintain adequate levels of cyber security for clinical records and any client data.
17. To allocate time for documentation of sessions, analysing clinical material, keeping statistics and inventories, attending multidisciplinary team meetings and taking supervision.
18. To form good working relationships with other professionals who also work with the patient/student/client/group and liaise with the multidisciplinary team.
19. To be involved in future planning of service delivery.
20. To recommend equipment and resources for use in the therapy programme, as appropriate.
21. To negotiate levels of funding for equipment, resources, travel in workhours, professional development and supervision.
22. To prepare relevant budgets as required.
23. To receive a thorough orientation to a new work environment including routines and relevant systems, Health and Safety Policies and Procedures, roles of other team members.
24. To keep up to date with new and current trends in therapy and overall philosophies of care.

Collegial Relationships

It is highly recommended that new therapists continue to draw on the support of more experienced therapists (for at least six months) when asked to contribute to the professional development of others.

Therapists creating their own positions as sole traders or independent contractors should be aware of where other therapists in their discipline are working. They should find out whether other therapists already work with the intended individual, group, organisation or facility and liaise carefully with them before beginning work.

Professional Development and Supervision

Service providers need to remain up to date with latest research and current practice in their discipline. Annual professional development needs will vary across disciplines but may include study leave, in-service training programmes, lectures, workshops and professional conferences.

Regular professional supervision is essential to maintain registration and practicing certificates. Supervision provides a forum for support and an objective perspective on clinical work. It provides a channel for learning and expanding clinical techniques and theoretical structures and for examining issues of professional practice. It brings new perspectives to bear upon ingrained patterns of working and thinking in certain clinical situations and seeks to increase the effectiveness of therapeutic practice.

Supervision should be in work hours or the employer should offer time in lieu.

Provision should be made for professional development and supervision irrespective of whether a service provider is an employee, sole trader or contractor.

It is important for an individual service provider to commence supervision as soon as possible after the completion of their training. Likewise, maintaining supervision while between roles or while looking for work is important in meeting the requirements of professional registration.

Service Delivery Venue

To best support public safety and wellbeing when delivering therapeutic services, it is recommended that the therapist has the use of or provides the following:

1. A self-contained therapy space suitable for individual and group therapy work.
2. The necessary equipment and resources to enable the therapist to undertake the work.
3. Storage for equipment and resources.
4. Office space for administrative work (including confidential phone calls) computer, access to a printer, telephone, audio/visual recording equipment if required.

Consider:

5. Rent, term and other lease terms.
6. Building insurance
7. Building security
8. Disability access
9. Access to public transport
10. Parking
11. Toilet facilities
12. Waiting area
13. Heating/air conditioning
14. Light/space
15. Refreshments (water, tea, coffee etc)
16. Excessive noise. The Resource Management Act (NZ) 1991, section 16, states that all premise occupiers have a duty to ensure that their emission of noise does not exceed a reasonable level. The term "excessive noise" is used to define any noise that is under human control that is of such a nature that it interferes with the peace, comfort and convenience of any person. Location of neighbours, time of day and type of noise are relevant.
17. Council requirements if on private property. If there are alterations required of the property, it may be necessary to obtain planning consent for the work. An Assessment of Environmental Effects may be required to determine the actual or potential impacts of the business. Consultation with adjacent neighbours is recommended.

Advertising Services

Advertising can increase public awareness of and engagement with a service. It is recommended that advertisements should highlight objective (factual) rather than subjective (adjective) information about the service and where relevant, an individual therapist.

Listed below is some objective data that should be included within the advertisements:

- Therapist qualifications (e.g.: MSLTPrac, MMusTher)
- Professional Registrations (e.g.: NZ RMTh, NZAC)
- Professional Experience (e.g.: five years working in hospice, two years working in mental health settings)
- Descriptions of your therapeutic service should match official definitions provided by your discipline's professional body.

Use of a website and social media are helpful to increase public awareness of your service. There are several easy and low-cost website building tools that make it easy to build a website and don't require specialist coding skills. For example squarespace.com weebly.com wix.com . It is vital that any social media accounts used for advertising are separate from any personal accounts.

Contact local GPs, medical centres, schools and other professionals to make yourself known in the community. This can be done through personal introductions or providing workshops/lectures to raise awareness.

Other strategies include offering to speak to Rotary, Lions, parent groups, Early Childhood Centres, community groups etc, about the value of music therapy. Use well thought out presentations and aim to build connections through these encounters.

Establishing Ethical Financial Processes

Sound financial processes give the public assurance that their service provider is operating within standard business models and will respect the service user as the payer of their service.

Tax Considerations

If a service provider is self-employed, it is important to obtain advice on this from IRD or an accountant.

IRD provides information on the different tax entities of self-employment, i.e., contracting, working as a sole trader or small business owner IRD Roles. The requirement for each entity varies, impacting tax payment schedules, financial record keeping, claimable expenses and GST registration. Note, there are implications for each entity for protection against professional negligence.

IRD provides a tool for determining if you should register IRD GST .

- Registering for GST is compulsory if your income is $60,000 or higher (2023 threshold).
- Registering for GST is optional if your income is less than $60,000.
- If you register for GST, your GST and IRD number will be the same.

It may be useful to seek advice from an accountant and from IRD.

The New Zealand Companies Office (MBIE) can provide further information on how to structure and register your company. NZ Companies Office - Starting a company.

Professional Liability and Indemnity Insurance

It is vital that self-employed therapists obtain insurance to protect against claims.

- Professional Indemnity Insurance provides cover for claims brought against the therapist due to their professional negligence and is recommended.
- Public Liability Insurance is also advisable, as it protects against other claims, including financial damages and legal expenses arising out of

the death, bodily injury or damage to property suffered by members of the public that have been caused by your business.

- Check your profession's parent organisation to see if there is a common insurance provider used by members. For example, Aon New Zealand Ltd, underwritten by QBE Insurance Ltd, provides professional indemnity and public liability insurance to the health sector and gives a discount to members of MThNZ. Health Professionals Insurance - Aon NZ.
- When contracting to an organisation, e.g. school, aged care facility, rehabilitation centre, it is advisable to check their insurance, to ensure that their insurance will cover you if a claim is made.

Contract and Consent Considerations

A contract is a legal document which sets out an agreement between two parties. Contracts lay out expectations for both you and those with whom you are doing business. Both parties need to be clear about their rights and obligations.

Before undertaking work of any kind, it is essential to write a formal contract to ensure that all parties agree to the fundamental aspects of service that will be provided, such as time, place and payment, process and notice period of any fee increases. This way payment will not become an issue between you and your client/organisation during therapy. Create a template for formal agreements.

It is essential to keep hard copies of all Contracts and documents along with creating a filing system that allows you to access these and other records easily.

Responsibilities to the client

Service providers are responsible for making a clear statement to the client (or those with legal responsibility of the client) regarding fees, methods of payment and accountability for cancelled or broken appointments. All aspects of the service, (including rules, aims, costs, benefits and drawbacks), must be made clear to the client before commencing the work with them. Contracts should be agreed, signed and dated by both the therapist and service user and/or organisation.

Informed Consent

It is important to obtain informed consent from any service user, both initially and through the process of work with them. Informed consent means that the nature of the therapy and all that it involves is understood by the client or person with legal responsibility for the client. You should ensure that you allow opportunities for questions to be asked and answered that you speak in a language that is easily understood by that person.

Contract Content

Two sample contracts are provided in the appendix for your reference. These should not be used as they are. We recommend you change these to best suit your discipline and situation. Please consult with your own lawyer.

- Basic considerations for service user contracts:
- Fill in all details specific to your service.
- Review the document periodically to ensure any legislation quoted is still current.
- Talk through the contract with any potential service user, ensuring all aspects are understood.
- Ensure two copies are signed - one for you to keep and one for the service user to keep.

Any contract or written agreement to provide therapeutic services should contain the following:

- Names of all the parties involved i.e., the therapist organisation, service user's name and/or their legal guardian. o Make sure you use your legal name/trading name in the contract. o Name yourself, your business (if applicable) and your service user in a consistent way throughout the contract.
- State that the therapy services are facilitated by a New Zealand Registered Therapist (e.g., NZ RMTh) who practices according to the relevant Code of Ethics/Standards of Practice.
- The start date and number of sessions to be held.
- Length of session.
- Frequency of sessions – weekly, fortnightly etc.
- Length of intervention (e.g., ten weeks) and when this will be reviewed.
- The end date plus terms for early withdrawal from the contract.

- The location of the sessions.

- What the therapist will provide i.e., what service is being provided.
- Clinical documentation provided to service users (highlight if extra costs are incurred for reports).
- Use of written records, privacy, security and confidentiality.
- Terms for use of other media, including any electronic/visual recordings of the therapeutic work by the therapist, service user, next of kin or others, plus permission and privacy.
- Health and safety obligations.
- General terms for payment – cost per session, frequency of payment, what is included in the fee.
- Process and notice period for any increase in fee. · Travel costs.
- Terms for cancellation of sessions and consequences for payment, including therapist arranged leave or holidays.
- Liability for any loss or damages.
- Name, signature of each party and date signed.

Bookkeeping Considerations

Record Keeping

You will need some method of keeping financial records. You may wish to do this using online software (for example Hnry, Xero or MYOB), on a spreadsheet or manually using a cash book.

Keep copies of invoices issued and any receipts for payment.

You will need to keep receipts for any business expenses incurred. The IRD and Business.govt.nz websites have information on what can be claimed as expenses.

Charges and Payment

Create a pricing scheme before you commence working to factor in all necessary aspects of the business including overheads. Design your changes realistically and be sure to include travel expenses where applicable. Revise your prices annually and consider the following when doing so:

- Time spent on preparation, evaluation and updating records
- Equipment maintenance repairs.
- Insurance for property, car, equipment, health and public liability.

- Kiwi Saver or private pension contributions.
- Income tax, provisional tax or PAYE.
- Leave allocations - sick, holiday, statutory days etc.
- GST contributions.
- ACC levy.
- Continuing professional development.
- Subscriptions to professional associations e.g. MThNZ.
- Supervision.
- Books, stationary, advertising.
- Business overheads including telephone, internet, electricity, transport costs.

<u>Notice of fee increase</u>

Inform your service users (clients/guardians/organisations) of any fee increases in writing before this takes effect and with consideration to the amount of notice given. Obtain written acknowledgement from the affected parties that they are aware of the change to the fee and will pay the new price.

<u>Invoicing</u>

Your invoice should list your details as service provider, the details of the service buyer, as well as the goods or services they exchanged.

You need to include:

- the title TAX INVOICE
- the invoice number
- your GST number if applicable
- the name and address of your business
- the name and address of your customer
- a list of the goods or services provided, the date service is provided and the cost of the service
- instructions on how and when to pay
- if you collected GST on the sale, then you need to show the amount.

Costing therapy services

If you are self-employed, it is important for you and for your profession to cost your work as accurately as possible. You do not want to be in the position of telling a customer your rate is $60 plus GST to find that they believe that a ½ hour session will cost $30 plus GST when the ½ hour session took three hours of your time, paying you only $10 an hour. This is less than minimum wage (minimum wage is $23.50 on 1/4/25 gross*). For disciplines such as music therapy, service users are often not aware of how much non-contact time is required to deliver a session. You will need to be able to explain this clearly. The following information may help you explain this to potential service users:

Chargeable Hours – things you do that are directly related to the service you provide to a service user.

- planning
- collecting resources
- liaison and meetings
- time
- setting up/packing up
- recording/writing up
- delivery/contact

Disbursements – things you can charge on to the client

- travel time
- mileage, handouts or resources they keep.

Non-Chargeable Hours – the tasks and time which enable you to provide your service and which are not directly related to contact time.

- professional development
- supervision
- banking
- marketing/advertising
- bookkeeping and invoicing
- sick leave
- bereavement leave
- parental leave
- holiday leave

Expenses – the costs of running any service

- Annual Practising Certificate
- Professional membership fees
- tax/insurances/ACC levies
- accountant/ legal fees
- tea, coffee, bathroom supplies
- resources and equipment
- repairs and maintenance
- stationary/postage
- power/rent/phone/internet
- vehicle expenses
- consumables, e.g. tea

There are many things to consider when costing your therapy work. The examples below give an indication of all these considerations. Please review and adjust to accurately reflect what is relevant to your situation. Remember your tax obligations. Note these rates/thresholds are subject to change.

- Put aside the correct percentage of your income (in a separate savings account) to pay your annual taxes.
- GST – Register if you earn over $[60]K – the relevant threshold as of August 2025.
- Record all deductible expenses on spreadsheet or similar and note these weekly or monthly. Scan/photograph any that will be recorded for tax returns and file electronically as receipts often fade. KEEP ALL RECEIPTS!

IRD Tax Thresholds – 1 April 2025

For each dollar of income	Tax rate
Up to $14,000	10.5%
Over $14,000 and up to $48,000	17.5%
Over $48,000 and up to $70,000	30%
Remaining income over $70,000	33%

General Expenses

Please note, the prices provided in all examples are for illustrative purposes only.

ACC levy	$1.50/$100 earned
Insurance	$500
KiwiSaver/pension contributions	Dependent on how much you contribute
Professional development	$300
Supervision Costs	$1200
Books, stationary, journal subscriptions, advertising	$250
Phone, internet, electricity, transport and vehicle costs	IRD calculation depending on house size
Equipment, repairs and maintenance	$250
Rent for office/workspace	% of home rent (if office space)
Salary and fee increase per year	3%
TOTAL EXPENSES	$x

Chargeable Hours

	Time
Planning	15 min
Collecting resources	10 min
Liaison (emails, phone calls, visits)	10 min
Recording, notes	15 min
Setting up/packing up	30 min
Session Time	45 min
Meetings	1 hour (per meeting)
Reports	1 hour (per report or included)
Mileage	$1.04/km
Travel time	$25/hr
Handouts, resources, CDs etc	Actual cost (not incl. GST)

Costing Sessions

Salary/Contract Rate (Calculated at entry salary for general therapist jobs in NZ in 2023)	62,000
Income tax (30%)	18,600
	43,400

TOTAL Calculate your work hours across the year.

Workdays	52 weeks	2080 hrs
Holiday	4 weeks	-160hrs
Sick leave	2 weeks	-80hrs
Statutory days	11 days	-88hrs
Deduct non-chargeable hours (25%)	438 hours	438 hours
TOTAL	1314 hours/year	1314 hours/year
Calculate your labour rate		
Salary divided by work hours equals labour rate (S ÷WH = LR.) E.g., $53400 ÷ 1314 hours = $33.02 per hour		
Calculate expenses relative to hourly rate		
E.g., Expenses (x) $12,500 ÷ 1314 hours = $9.51		
Add expenses to labour rate		
E.g., $33.02 + $9.51 = $42.53/hour		

Quoting

Individual session	Time	Cost
Contact time	45 min	$31.89
Planning and preparation	15 min	$10.63
Resources and liaison	10 min	$7.08
Setting up/packing away	30 min	$21.26
Travel (return)	20kms @ $0.95/km	$19.00
TOTAL		$89.86

The following examples are indicative only and are based on the provision of music therapy services. Please adapt for your own situation and seek your own legal or accounting advice.

Contract Example One

[Your logo or branding]

[Your business name] Music Therapy Terms and Conditions

Please read the following terms and conditions under which music therapy services will be provided, and the accompanying media release guidelines:

Music therapy services will be provided by a registered music therapist (NZ RMTh) in accordance with the Music Therapy New Zealand Code of Ethics and Standards of Practice.

Sessions will be held weekly [or insert relevant frequency] at an agreed time for a period of [insert relevant period].

Prior to the first session a consultation and initial client assessment of 15 minutes will be offered by phone call.

There will be a commitment on both parties to maintain regular sessions that begin and end on time.

The music therapist will make clinical notes and may make video and/or audio recordings, but only with permission from the client/whānau. All music therapy records will remain confidential and be securely stored. Records will be kept for 10 years in accordance with Health Information Privacy Code 2020.

Regular reviews of therapy are part of the clinical process and will be in the form of informal communication with whānau. A summary of progress will be provided for families on request.

All fees for sessions will be invoiced [insert frequency]. Full payment is to be made before sessions start unless prior arrangement is made with the therapist.

If the music therapist is unavailable or cancels a session with less than five (5) days' notice, the session fee will be credited to the client or refunded if the client chooses not to re-enrol.

If the participant is late or misses a session, the session will be charged at full price. When advance warning of more than [insert time period] is given for absence, due consideration will be given to the reason for absence and fees may be waived or held as credit for future sessions.

There will be no session if the session falls on a statutory holiday, or during a long weekend, and no charge will be incurred.

The client's family will be responsible, within reason, for the replacement costs of any instruments or resources broken by the client during music therapy.

Media Release Guidelines

You are allowed to take photos and/or video of your family members engaging in music therapy groups, however, please ensure that it is not disruptive to any group member or the music therapist.

Please gain verbal consent from all people in the photo/video before sharing on your social media or via any other means. Sharing without consent may result in you no longer being allowed your phone/camera in sessions.

By attending [Your business name] OR [music therapy with Your Name], you consent to the music therapist or a representative taking photos or video of you during the session. With your express permission, these images and audio may be used for the purposes of sharing and promoting music therapy and [Your business name] groups on the internet (including on social media, email and websites) and may also be used for professional presentations and research.

Names of children or family members will not be used in conjunction with images or audio recordings. Images and audio recordings will remain the property of [Your business name] OR [Your Name].

Consent and agreement

I, ______________________________ (Caregiver/next of kin) give consent for

________________________________ (client) to receive music therapy

services from ___________________________________ [Your Name], NZRMTh.

By signing this agreement, I agree to the above terms and conditions.

Signed ____ (Caregiver/Next of Kin)

Print name ______________________________________ Date ______________

I, ___________________________________ [Your name], NZ RMTh, agree to provide music therapy services for _________________________ (client) and agree to the above terms and conditions.

Signed _______________________________

Print name __________________________ Date ______________

Contract Example Two

[Your logo/branding if applicable]

SERVICE AGREEMENT

Between ______________________________ (Next of Kin (NOK)/Caregiver),

signing on behalf of ______________________________ (the client) and

_______________________________________ [Your name], NZ Registered Music Therapist (NZ RMTh).

Date: ______________

[Your Name] (NZ RMTh) of [Your business name, if applicable], agrees to provide Music Therapy to (the client) for weekly individual sessions beginning [insert date] at [insert time]. The music therapy sessions will take place at [venue name], [venue address].

Music Therapy Services are facilitated by a NZ RMTh, who practices according to the Music Therapy New Zealand Code of Ethics and Standards of Practice and current Annual Certificate (all available on request).

Fees are $XXX inclusive for a 45-minute session.

Fees include time and expenses for maintenance of equipment, preparation, administration, professional indemnity insurance, ACC and other professional registration costs.

Travel cost is a total of xxx kms (first 30kms free of charge).

Invoices will be provided monthly and must be paid by the 20th of each month.

The NZ RMTh will fulfil all necessary clinical documentation for the purpose of planning, assessment, recording and tracking progress for the music therapy service including:

- Referral and initial assessment
- Progress notes

- Use of relevant assessment tools
- Review reports on request (*additional fees apply $xxx per report)

All clinical documentation will remain strictly confidential and be kept on a password protected computer.

The music therapy programme will be periodically reviewed [insert time period if appropriate]. This includes a collaborative discussion/plan of identified therapy goals. A report can be written if requested by the client/NOK. Where the music therapy service is delivered at a care facility:

- The NOK shall ensure that there is an appropriate space(s) suitable for the music therapy service to be carried out at the care facility with their permission.

- The NOK must obtain permission from the care facility for the NZ RMTh to access to guests' clinical information and files for the NZ RMTh to provide the music therapy service and complete above clinical documentation (See section 8).

- The NOK must notify the care facility that the NZ RMTh will be entering their premises as a contractor and the NZ RMTh must ensure that the facility carries out all necessary contractor requirements, Health & Safety procedures & orientation.

- If the NOK, client or NZ RMTh wishes to withdraw from the music therapy service, a period of [insert relevant time period] 's notice must be given to each party clarifying the circumstances of this in written form.

- Any volunteers, staff, whānau or other members of the public involved in music therapy sessions must sign an 'Observation Confidentiality' form, as provided by the NZ RMTh.

Photos, audio recordings and videos are not to be taken during music therapy sessions without prior consent. An 'Authority to use images' form will be provided by the NZ RMTh.

All instruments are provided by the NZ RMTh and it is the responsibility of the NZRMTh to maintain their condition or replace if necessary.

The NZRMTh and NOK agree to liaise on a regular basis.

If the NOK/NZ RMTh/client must cancel the session for any reason, the cancelling party must provide a minimum of twenty-four (24) hours' notice.

The NZ RMTh must notify the client of any prearranged leave or holidays.

I agree to the above terms and conditions.

Signed ____

Print name ____________________________________ Date ______________

Signed ____ (NOK/Caregiver as required)

Print name ____________________________________

Signed ____ (NZ RMTh)

Print name ____________________________________ Date ______________

Invoice Example

Please note, the prices provided in all examples are for illustrative purposes only.

[Your logo]

TAX INVOICE

Payer's Name or Organisation Name Your name/Your business name
Payer/Organisation Address Your GST number if applicable
Your NZ Business Number
if applicable your@email.com
yourwebsite.com

Invoice Number INV-XXXX
Reference (if required)
Issued (insert date of issue)
Due (insert date invoice due)

Customer Reference	Quantity	Unit Price	Amount
Description of services: Provision of one music therapy session per week, during Term 1 2025. Service includes session planning, implementation, evaluation, IEP contributions and funding application.	10	$60.00	$600.00
	Subtotal		$600.00
	GST		$90.00
	AMOUNT DUE		$690.00

Terms: Please pay by direct deposit to: [your account name] [bank account] [your account number]. Please quote the Invoice No. in the particulars field, and email notification of your payment to [your email address].