

## How to submit this form

# Submission form: Proposed updates to ACC regulated payments for treatment

The Ministry of Business, Innovation and Employment (MBIE) would like your feedback on proposed updates to the ACC regulated payments for treatment. Please provide your feedback by **18 October 2022**.

When completing this submission form, please provide comments, evidence, and any data that may aid your submission. Your feedback provides valuable information and informs decisions about the proposals.

We appreciate your time and effort taken to respond to this consultation.

## Instructions

### To make a submission you will need to:

1. Fill out your name, email address, phone number and organisation.
2. Fill out your responses to the discussion document questions. You can answer any or all of the questions. Where possible, please provide us with evidence to support your views. Examples can include references to independent research or facts and figures.
3. If your submission has any confidential information:
  - i. Please state this in the email accompanying your submission, and set out clearly which parts you consider should be withheld and the grounds under the Official Information Act 1982 (Official Information Act) that you believe apply. MBIE will take such objections into account and will consult with submitters when responding to requests under the Official Information Act.
  - ii. Indicate this on the front of your submission (eg, the first page header may state "In Confidence"). Any confidential information should be clearly marked within the text of your submission (preferably as Microsoft Word comments).
  - iii. Note that submissions are subject to the Official Information Act and may, therefore, be released in part or full. The Privacy Act 1993 also applies.
4. Submit your feedback:
  - i. As a Microsoft Word document by email to [ACregs@mbie.govt.nz](mailto:ACregs@mbie.govt.nz) with subject line: *Consultation: ACC regulated payments for treatment*, or
  - ii. By mailing your submission to:

The Manager, Accident Compensation Policy  
Ministry of Business, Innovation and Employment  
PO Box 1473

Wellington 6140  
New Zealand

## Submitter information

## Submitter information

MBIE would appreciate if you would provide some information about yourself. If you choose to provide information in the section below it will be used to help MBIE understand the impact of our proposals on different occupational groups. Any information you provide will be stored securely.

### Your name, email address, phone number and organisation

Name: Jessie McArthur (Manager ACC & Eligibility)

Email address: Jessie.mcarthur@waitematadhb.govt.nz

Phone number: Privacy of natural persons

Organisation: Te Whatu Ora Waitematā

- The Privacy Act 2020 applies to submissions. Please tick the box if you do **not** wish your name or other personal information to be included in any information about submissions that MBIE may publish.
- MBIE may upload submissions or a summary of submissions received to MBIE's website at [www.mbie.govt.nz](http://www.mbie.govt.nz). If you do **not** want your submission or a summary of your submission to be placed on our website, please tick the box and type an explanation below:

I do not want my submission placed on MBIE's website because... [insert reasoning here]

### Please check if your submission contains confidential information

- I would like my submission (or identifiable parts of my submission) to be kept confidential, and **have stated** my reasons and ground under section 9 of the Official Information Act that I believe apply, for consideration by MBIE.

## Proposed updates to ACC regulated payments for treatment

## Proposed updates to ACC regulated payments for treatment

## Questions on increases to rates set by the cost of treatment regulations

## Question 1

Do you agree that tailored payment increases reflecting wage increases in the main occupational groups (option D in discussion document), which will result in the increases detailed in Table 4 reproduced below, best meets the following policy objectives:

- Claimants are able to access treatment, meaning co-payments should be affordable
- Costs to ACC are sustainable, affordable and predictable (gradual increases)
- Payments are not too dissimilar between the health and ACC systems.

If you do not agree, why not? Please provide reasons for your view.

- a) Option D is the preferred option of those considered.
- b) Occupational Therapy prices should be aligned with other Allied Health Services pricing
- c) Dental Regulations should include a SIC/price for treatment by a dental technician not just a dentist

Overall, we are concerned that that the COTR prices are not adequate for Te Whatu Ora District providers as we cannot add a surcharge and the prices are disproportionately low compared to our costs. Even in relation to contract prices (which Districts do have for most major services), the gap has become disproportionately wide for those services which are only covered by COTR.

We believe this growing gap will undermine your policy objectives regarding affordable claimant access and payments being not too dissimilar between health & ACC. With the first of these, given the increasingly wide gap between what Districts can bill versus independent providers who can surcharge, there is risk that the only way Objective 1 will be satisfied is by patients increasingly presenting to Districts to avoid surcharges – this would represent an unfair burden on Districts.

With the 3<sup>rd</sup> objective, the Review is concerned about market tensions and behaviour distortions encouraging for example, the mischaracterisation of borderline injuries. These seem minor risks/impacts compared to the major distortion created by surcharging dynamic in the private sector compared to District provision being free. As noted this creates a clear cost difference to claimants and ACC should surely be further concerned about the risks of equity distortion whereby those who can't afford surcharges will be required to wait in the public system, with their rehabilitation and recovery ultimately slowed as their clinical needs are prioritised against all other presentations.

**To address these policy drivers and to be more reasonable to District providers, we believe there should be a separate price schedule for public providers with prices appropriately increased.** It is not expected to be consistent with contract prices but should represent a better contribution to the costs. It may also be appropriate to 'trade off' price on the basis of simpler admin requirements, as these are typically hard to manage in big volume Districts in particular. A good example of this is in Q4 below where the admin burden is not reasonable.

**Table 4: Services eligible for payment increases**

## Proposed updates to ACC regulated payments for treatment

Specified Treatment Provider	Regulation	Service	Proposed Increase
Acupuncturists	17 and Schedule	Treatment costs	9.36%
Chiropractors	17 and Schedule	Consultation, treatment and imaging	9.36%
Occupational therapists	17 and Schedule	Treatment costs	9.36%
Osteopaths	17 and Schedule	Consultation, treatment and imaging	9.36%
Physiotherapists	17 and Schedule	Consultation, treatment and imaging	9.36%
Podiatrists	17 and Schedule	Consultation, treatment and imaging	9.36%
Speech therapists	17 and Schedule	Treatment costs	9.36%
Accident Compensation (Liability to Pay or Contribute to Cost of Treatment) Regulations 2003			
Treatment Provider	Regulation	Service	Proposed Increase
Counsellors	9	Consultation	9.36%
Dentists	10 and Schedule	Consultation and treatment costs	5.70%
Medical practitioners	13 and Schedule	Consultation and treatment	5.70%
Nurses	14 and Schedule	Consultation and treatment	7.85%
Medical practitioners and nurses	15 and Schedule	Combined consultation and treatment	4.60%
Nurse practitioners	15A and Schedule	Consultation and treatment	7.85%
Specialists	16 and Schedule	Consultation and treatment	5.70%
Hyperbaric oxygen	11 and Schedule	Treatment costs	5.70%
Radiologists	12 and Schedule	Consultations and imaging	5.70%

## Question 2

**Do you have any concerns about the impact the regulated payment regime has on particular population groups who have difficulty in accessing treatment? If so, please provide examples and reasons for your view.**

We are concerned that the gap between the price paid by ACC to Districts and the costs of provision is too great, especially when Districts are unable to charge a surcharge. This places an unfair burden on Districts to meet claimant needs without appropriate reimbursement/contribution. The fact that most

## Proposed updates to ACC regulated payments for treatment

private providers charge surcharges, is itself a barrier to access for many people and we again note the policy driver you have to provide affordable access.

### Question on the hearing loss regulations

#### Question 3

Do you have a view on the proposed nil increase to the payments listed in Table 5 reproduced below? Please provide reasons for your view.

**Table 5: Hearing Loss Services**

Accident Compensation (Apportioning Entitlements for Hearing Loss) Regulations 2010 (the Hearing Loss Regulations)			
Provider	Regulation	Service	Increase
Audiologists	5, 5A, 6, 8, 9, 10, 10A	Assessment, consultations, fittings, service, repairs and replacement ear moulds	0.00%

No comment on this.

### Questions on the proposed new Nurse Practitioner and Nurse combined rate

#### Question 4

Do you agree with introducing a new nurse practitioner and nurse combined treatment rate, and the specific rates (before the general increase proposed in section 3) listed in Table 6 reproduced below? Please provide reasons for your view.

**Table 6: Nurse Practitioner and Nurse combined treatment rates**

Definition	Treatment rate
If the claimant is 14 years old or over when the visit takes place and is not the holder of a community services card or the dependent child of a holder	\$29.33
If the claimant is under 14 years old when the visit takes place	\$54.21
If the claimant is 14 years old or over when the visit takes place and is the holder of a community services card	\$50.88
If the claimant is 14 years old or over but under 18 years old when the visit takes place and is the dependent child of a holder of a community services card	\$55.71

## Proposed updates to ACC regulated payments for treatment

These distinctions may be useful in supporting private providers in charging a lesser surcharge, so do help address equity of access. However, these distinctions are not manageable for Districts. We have no need to routinely ask patients if they have a CSC and no place to collect this data in our systems. In this way, we will not be able to claim the higher rate, except for children under 14. This represents an unreasonable, high-cost admin burden on Districts which disadvantages us. These differentiated prices based on CSC holding could be replaced with a single fee, based on averaged proportions of CSC holders.