



COVERSHEET

Minister	Hon Carmel Sepuloni	Portfolio	ACC
Title of Cabinet paper	Regulated Rates Review 2018/19 Recommendations: ACC Implementation	Date to be published	18 March 2021

List of documents that have been proactively released

Date	Title	Author
July 2020	Regulated Rates Review 2018/19 Recommendations: ACC Implementation	Office of the Minister for ACC
29 July 2020	Regulated Rates Review 2018/19 Recommendations: ACC Implementation DEV-20-MIN-0154	Cabinet Office
25 June 2020	Regulatory Impact Summary: Proposals for updates to ACC regulations dealing with treatment payments	MBIE
March 2021	Accident Compensation Cost of Treatment Amendment Regulations 2021	Office of the Minister for ACC
11 March 2021	Accident Compensation Cost of Treatment Amendment Regulations 2021 LEG-21-MIN-0018	Cabinet Office

Information redacted

YES / NO [select one]

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



Cabinet Economic Development Committee

Minute of Decision

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Regulated Rates Review 2018/19 Recommendations: ACC Implementation

Portfolio ACC

On 29 July 2020, the Cabinet Economic Development Committee (DEV):

- 1 **noted** that on 13 November 2019, DEV:
 - 1.1 agreed to the release of a consultation document on proposed changes to the payments made to treatment providers, following a review of ACC's regulated payments for treatment;
 - 1.2 invited the Minister for ACC to report back following the consultation, with final recommendations;

[DEV-19-MIN-0303]
- 2 **agreed** to increase rates in the Accident Compensation (Liability to Pay or Contribute to Cost of Treatment) Regulations 2003 (the Cost of Treatment Regulations) by:
 - 2.1 2.05 percent for Counsellors, Dentists, Specialists, Specified Treatment Providers, Nurses, Medical Practitioners, Combined services (Nurse/Medical Practitioner) and Audiologists (service-based codes only);
 - 2.2 1.72 percent for Radiologists and Hyperbaric Oxygen Treatment;
- 3 **agreed** to remove provisions in the Cost of Treatment Regulations that require funding deductions for dental treatment, where a claimant has received previous treatment on the same tooth for a non-accident related purpose;
- 4 **agreed** to separate 'Specified Treatment Providers' in the Cost of Treatment Regulations, to provide for separate payment rates for Acupuncturists, Chiropractors, Occupational Therapists, Osteopaths, Physiotherapists, Podiatrists, and Speech Therapists;
- 5 **noted** that these changes are expected to have an annual total cash cost of up to \$9 million across the ACC levied accounts and the Non-Earners' Account, compared to the approximately \$325 million current cost of regulated treatment payments;
- 6 **noted** that there is expected to be no impact on the total amount of levies or the ACC appropriation;

7 **noted** that:

7.1 section 324 (2) of the Accident Compensation Act 2001 requires the Minister to consult with the person or organisations the Minister considers appropriate, having regard to the subject matter of the proposed regulations;

7.2 this requirement has been fulfilled;

8 **noted** that:

8.1 the required amendments to the regulations are expected to be ready for authorisation before a new government is formed after the 2020 General Election;

8.2 it is anticipated that the amendments could then come into force on 1 February 2021;

9 **authorised** the Minister for ACC to issue drafting instructions to the Parliamentary Counsel Office for regulations to give effect to paragraphs 2 to 4 above.

Janine Harvey
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Grant Robertson (Chair)
Hon Phil Twyford
Hon Andrew Little
Hon David Parker
Hon Stuart Nash
Hon Damien O'Connor
Hon Shane Jones
Hon Kris Faafoi
Hon Willie Jackson
Hon James Shaw
Hon Eugenie Sage

Officials present from:

Office of the Prime Minister
Officials Committee for DEV