

## 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

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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:

Privacy of natural persons

Email address:

Privacy of natural persons

Phone number:

Privacy of natural persons

Organisation:

- 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

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## 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.

Yes, there appears to be a discrepancy in wage movement for Doctors, Nurses and Allied Health professionals based on the DHB MECA wage increases.

Increasing payments to the main occupational groups will not necessarily make co-payments more affordable though. Given health professionals set their own co-payments, the proposed wage increases will not increase access to treatment unless professionals choose to lower their co-payment.

I believe the Acupuncture and Chiropractor professions wage increases should not be adopted and should remain dissimilar based on the way they practice and invoice ACC.

**Acupuncture:**

Acupuncture NZ advises "A visit to an Acupuncturist will usually take up to an hour, with the needles being left in place for 20-25 minutes of that time. Very often people go into a state of deep relaxation whilst the needles are in place and many drift off into a brief but sound sleep. Acupuncture is widely known for its effectiveness in treating musculo-skeletal injuries but has traditionally been used extensively in the treatment of respiratory, digestive, gynaecological and many other chronic conditions."

ACC currently funds an hourly rate of \$60.14 Ex GST. Patients who receive Acupuncture treatment generally receive more treatments per claim on average than other allied health groups. The time they treat patients under the hourly regulations is also substantially higher than all allied health groups invoicing under the hourly rate.

Acupuncture involves a significant proportion of passive treatment "with the needles being left in place for 20-25 minutes of that time." This differs significantly from other allied health treatment and presents concerns that ACC is funding significantly more for Acupuncture treatment simply based on the fact its passive nature takes longer to deliver.

On this basis it would be suggested that the hourly rate for acupuncturists either be lowered or removed completely. A replacement per patient rate would be recommended with a limitation on the number of treatments delivered per day.

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### Chiropractic:

The NZ Chiropractic board advises a chiropractic adjustment is used to restore joint mobility. "Manipulation or adjustment of the affected joint and tissues restores mobility, thereby alleviating pain and muscle tightness allowing tissues to heal."

The majority of Chiropractors invoice ACC under the per patient rate of \$23.90 per treatment Ex GST. This generally reflects the short duration involved in performing a "chiropractic adjustment". The small percentage of Chiropractors invoicing under the hourly rate are invoicing chiropractic adjustments at a significantly higher rate than the per patient rate.

Unlike the hourly rate, which limits the number of patients treated in a day (based on the hours available in a day). The "per patient rate" means Providers can treat as many patients as they can in a day i.e 50 treatments in a day would be five per hour over a 10-hour day, or one treatment every 12.5 minutes.

On this basis it would be suggested that the hourly rate for Chiropractors either be lowered or removed completely. It would be recommended that a limitation on the number of "flat rate" treatments delivered per day be introduced (like the hourly rate provision where the Corporation is liable to pay a proportion of the hourly rate under [regulation 13\(5\)\(b\)](#) only after the claimant has received the first 30 minutes of direct treatment).

**Not adopting the wage increases for the Acupuncture and Chiropractor professions ensures the sustainability of the ACC scheme.**

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

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%

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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%

### 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.**

As stated above, increasing payments to the main occupational groups will not necessarily increase access to treatment unless health professionals choose to lower their co-payments.

The risk to ACC with having a low, or no co-payment, is patients are potentially incentivised to seek more treatment than is clinically required. Such treatment is potentially not necessary, appropriate, or causally linked to their covered injury. This presents a risk for the patient, the health professional, and ACC.

For example, Allied Health professionals that deliver services in a sports/school setting, in general, charge no or a small co-payment comparable to treatment delivered in other Allied Health settings. This provider induced demand incentivises treatment which may not always be necessary or appropriate for the patient's covered injury i.e basic first aid that provides little benefit over and above natural healing for minor injuries picked up in the presence of these onsite professionals. Claims being lodged for such treatment becomes part of a patient's permanent ACC record. When seeking employment this record is requestable by future employers. Patients with a large claim history, albeit of minor injuries, become prejudiced by employers with a preference for employees who do not stereotypically get injured.

### 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.**



## Proposed updates to ACC regulated payments for treatment

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%

[insert response here]

## 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

Yes as it is not currently covered under the [Medical practitioners', nurses' and nurse practitioners' costs](#)