

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 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: Jeanie Morrison-Low MNZAS

Email address: jeanie@kapitihearing.co.nz

Phone number: 04-293-4693

Organisation: Independent Audiologists NZ

- 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. 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.

I agree with the policy objectives, but there are no payment increases for audiologists.

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.

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%

Response to MBIE regarding 0% ACC fee increase for Audiology, from Independent Audiologists NZ (IANZ) Members of Independent audiologists NZ are NZ Audiological Society audiologists who own their own audiology clinics and clinically practice in them. The group exists to promote and support independence in audiology. **October, 2022**

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1. Manufacturers of hearing aids have recently raised their prices by 5%; insurers, equipment providers, landlords have also raised prices.
2. Audiologists, like dentists, must invest in expensive testing and electroacoustic verification equipment, with ongoing calibration costs to maintain accurate testing and outcomes. We are unable to carry out ACC work without having certified sound-treated test areas, which requires engineers to fly to our clinics from Auckland to carry out the sound testing and certification.
3. The cost of hiring audiologists has gone up considerably. In 2016, this author could hire a just-qualified audiologist for \$80k with benefits (including a car, etc); now, audiologists with CCC qualifications are asking for \$100-150k, plus car and other benefits.
4. One of the reasons for this is the increased cost for young audiologists of housing as well as global inflation. Another is the increasing difficulty of finding qualified audiologists to hire.
5. The pressure of these general price increases mean it is likely that audiology prices will go up proportionately, making the co-pay for ACC clients greater.
6. The 0% fee increase for audiologists has a disproportionate effect on independent audiologists compared to multinational chains. Those small business-owner audiologists all pay business tax to the NZ Govt. The Government relies disproportionately on small businesses for tax receipts. Many large chain-type clinics are owned by overseas multinationals, which also own the manufacturers that they (and we) use as suppliers. They can use transfer pricing methods to avoid showing profits in NZ; and their parent companies can also give them far lower wholesale prices for hearing aids than smaller clinics would receive. The ACC requirement that audiologists do not work for manufacturers, (*section 6 audiologists declaration, 611 hearing aid trial outcome report*) is avoided by using "vertical integration". Is this competition? We suspect that once the smaller, tax-paying independent audiology clinics are gone, the larger corporates might not have as much motivation to keep prices down.
7. With this in mind, an ACC report (2012) showed clearly that independent clinics charged lower co-payments than large providers. We would like to suggest a more level playing field. Perhaps give a fee increase to independent practitioners who own their own practices and who pay tax in NZ?
8. Comparing costs with those of DHBs for the purposes of deciding fees is not useful: DHBs do not have to make money on audiology services to pay rent, staff or equipment costs (unlike private small business owners – who are required by Section 88 of the Hearing Aid Services Notice 2018, to run clinics using sound business practices – ie being able to stay solvent).
9. The Australian Govt is very specific about recognising the large service component of fitting hearing aids (which is probably the main service that audiologists provide to ACC clients) eg with the Australian over-65 voucher system;). We can send you their fee schedule that details all the service components required by them. ACC may have been erroneously advised that "self-fitting aids" obviate a service component.
10. Over-the-counter-devices, or OTCs (which cannot usually be adjusted) are designed for **mild to moderate hearing loss** – not the category of hearing loss that is fitted under ACC regulations.
11. Under the Official Information Act, please provide Independent Audiologists NZ with all of the sources that MBIE/ACC have used to conclude that audiologists, alone of all health professionals being considered, should receive a 0% increase in fees, and the rationale for this decision. In addition, why does MBIE/ACC think that "self-fitting hearing aids" are suitable for ACC clients; and can you please provide examples of these aids that would, in reality, reduce the need for audiologists' services. Does MBIE/ACC think that the cost of hearing aids is just for the device? (Compare this to teeth braces, hip joints, etc). If so, who has advised them of this?
12. We acknowledge that next year, the hearing percentage loss of patients for consideration by ACC will go from 6% to 5%, which will benefit more clients. These are, of course, ACC clients who have paid into ACC all of their working lives.
13. The idea of patients using "on-going technology changes, which include improving the ability of clients to self-programme hearing devices", seems to indicate a misunderstanding by ACC of what technology changes are occurring, and what audiologists do. The fitting of hearing aids is a process, involving extensive counselling (most clinics offer 6-8 weeks to trial aids, and multiple adjustments based on both subjective and objective measures take place, involving neuroplastic changes in the brain). Yes, patients who have already been fitted with hearing aids can now use phone apps to make small adjustments to their aids after they have been fitted.

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However, this is not possible until the hearing aids have been chosen for their appropriateness, acoustically optimised using appropriate acoustic coupling to the ear, fitted, programmed, verified, and adjusted – over time; with the usual variety of problems (including how to use the phone apps) sorted out; often over several weeks. I am happy to invite someone from ACC to come and sit in my clinic for a day to observe what we do.

IANZ is disappointed not to have been contacted earlier for input – we are named stakeholders on the first page of Section 88 of the Hearing Aid Services Notice (2018); and the Govt is required to consult with us when these sorts of things are being considered for subsidies and Enable funding. We hope that ACC will consider consulting with us in the future, as they have done in the past. We only heard about this consultation from the NZ Audiological Society, a little over a week from the date of the deadline for submission.

Jeanie Morrison-Low, MNZAS

Convenor, Independent Audiologists NZ.

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

[insert response here]

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