

BACKGROUND

The New Zealand Hearing Industry Association (NZHIA) was formed to unify the hearing sector in New Zealand and to improve access and funding of hearing health services for New Zealanders.

Our members are responsible for the testing, assessment and fitting of over 90 percent of hearing devices in New Zealand.

MBIE CONSULTATION ON UPDATES TO TREATMENT REGULATIONS

1. Proposed zero increase for audiology treatment providers

NZHIA strongly opposes the proposed zero increase for audiology treatment providers and refutes the rationale as outlined in the consultative document as to why a zero increase is recommended.

To claim “with ongoing technology changes, which include the ability of clients to programme hearing devices, an increase in device fitting fees might be inconsistent with market trends” is incorrect as to our knowledge there are no purely self-fitted hearing aids being distributed in New Zealand; rather technological advances have improved the quality of the product provided under the supervision of a qualified audiological practitioner.

To claim “market trends” correlates with a reduction in time spent with a client to assist with their rehabilitation is factually incorrect.

2. Proposed zero increase for audiological providers due to “wider ongoing work on hearing loss settings which is like to affect the provision of audiological services”

This rationale for a zero increase for audiological providers makes no reference to what this 'wider ongoing work on hearing loss settings' entails and why it should have any impact on the cost increases faced by the sector.

To our knowledge the only changes foreshadowed are the change in thresholds from six to five percent in the ACC Amendment Bill and the updating of age scale. Neither of these changes impact materially on the current cost increases faced by the sector nor do they justify a punitive freeze on costs until the next review in 2024.

3. Current cost increases faced by the sector

To imply that audiological services in New Zealand are not facing the same cost pressures as other providers in the health sector, or that these cost pressures will not be reviewed until 2024, is clearly discriminating against the hearing health sector and their clients.

Audiology labour costs have risen significantly in the last few years. This is in part due to the MECCA indications for allied health professionals and in part due to serious professional labour shortages.

In addition the wholesale cost of hearing devices has increased in the last year by between five and seven percent. These costs cannot be borne by the audiology providers and without an increase in payment for services will need to be passed onto the claimants. Services such as hearing assessments, fitting and fine-tuning appointment lengths remain the same in order to complete these required services.

IN SUMMARY

It is regrettable that no attempt was made to liaise with NZHIA before these proposed changes were promulgated for consultation. Had this been the case the misinformation contained in the document relating to 'market trends' could have been clarified and detailed data provided.

In addition, it should be acknowledged that funding for Audiology services in this scope has only been revised one time since 2014 where in 2021 they were increased by 2.0%. CPI in this period has grown by 19%.

It is strongly submitted that audiological services should not be singled out for a zero increase and that the rationale given for this proposal is fundamentally flawed. For the reasons outlined above it is recommended that the Allied Health rate increase of 9.6 percent be applied to audiologists who form part of the Allied Health sector.

In addition to the funding of services (Assessment, consultations, fittings, service, repairs and replacement ear moulds) the Device Contribution which is provided as part of the Band Funding for Binaural and Monaural approvals along with the fitting fee above, has remained unchanged since 2014. While outside of the scope of this consultation round this fact should be noted and addressed in the near term. It is therefore submitted that the Allied Health 9.6 percent increase should be applied to audiology services to ensure an equitable adjustment.