

Review of the way in which physiotherapy services are funded and accredited by ACC. Q &A developed by the Minister of ACC office,

What has led to the review?

The Confidence and Supply Agreement between the Government and New Zealand First includes a review of the way in which physiotherapy services are funded and accredited.

The review addresses a number of concerns that have been expressed in recent years about the funding and accreditation by ACC of physiotherapy services.

Over recent years there have been a number of changes to how ACC funds physiotherapy services and this review is being conducted to ensure that those that need physiotherapy following injury have affordable access to treatment, and that funding arrangements are sustainable and fair to physiotherapists.

What did the review assess?

The review assessed the adequacy of the current regulatory and purchasing arrangement for physiotherapists within the ACC regime.

The review focused on the differing payment and contractual regimes for physiotherapists contracted under the Endorsed Provider Network and those who receive payments regulated under the IPRC (Liability to Pay or Contribute to Cost of Treatment) Regulations 2003.

The primary concern was the sustainability of provision of physiotherapy services under the present ACC regime, in the long term interests of ACC claimants.

How was the review conducted?

The review was conducted by David Goddard, QC and included wide consultation with stakeholders in the form of written submissions and a number of hearings and conferences.

The written submissions, oral hearings and reports of David Goddard, QC will be made publicly available on the Department of Labour website.

Who was involved?

A wide range of key stakeholders affected by the current accreditation and funding arrangement were consulted in the course of the review. This included (among others):

- ACC
- The New Zealand Society of Physiotherapists
- New Zealand College of Physiotherapists
- New Zealand Private Physiotherapists' Association
- Physiotherapy Trust of New Zealand
- Occupational Physiotherapists Special Interest Group
- A number of physiotherapy practitioners
- A number of claimant representatives
- The Office of the Health and Disability Commissioner

- District Health Boards' Physiotherapy Advisors, Leaders and Managers Group
- The Office of the Privacy Commissioner
- New Zealand Law Society ACC Sub-Committee

Parties to the review also provided expert reports on pricing and remuneration issues from:

- Deloitte
- KPMG
- Strategic Pay Ltd

What did the review find?

The review makes a number of recommendations that provide options for promoting the sustainable funding of physiotherapy services, and fairness to physiotherapists. Some of the key findings include:

- The review notes that current levels of funding should be increased in order to address sustainability issues for the physiotherapy sector.
- The review proposes two options on the topic of whether to allow co-payments or not:
 - To retain the existing funding arrangements that prohibit co-payments for Endorsed Provider Network providers but to increase the payments made under those agreements; or
 - To remove the prohibition on co-payments and increase payments as far as affordable.

The Review also made recommendations about:

- Adopting alternative entry criteria for EPN providers, based on postgraduate qualifications and experience;
- Changing the name of the EPN contracts to remove the reference to 'endorsed';
- Giving providers a longer termination period for EPN contracts;
- Establishing guidance, transparency and improved culture around ACC's processes for monitoring, audit and investigation of providers, and the use of treatment profiles for this purpose;
- Improving processes and guidelines for identifying the appropriate number of treatments for each claimant;
- Improving the efficiency and fairness of processes for approving funding for claimants who require additional treatment outside standard guidelines;
- Improving communication about referrals to Activity-Based Programmes;
- Establishing a clear complaints process for providers;
- Developing better processes in relation to provision of patient clinical notes to ACC for the purpose of provider audit, monitoring and investigation. ACC and the Privacy Commissioner have agreed to work together to address these issues;

- Creating better communication between ACC and physiotherapists through a partnership model and a consultative approach, with consideration being given to an 'independent' Chair of the Physiotherapy Liaison Group with six-monthly reporting; and
- Improving the quality of information used for the purpose of decision-making on contracts and regulations.

The full report and associated documents are available at:
<http://dol.govt.nz/consultation/physiotherapy/index.asp>