



What has the government done to ACC since the election? What has happened to services on the ground?

Glenn Barclay

Who are we?

- ACC Group
- Acclaim Otago (Inc)
- Aviation & Marine Engineers Association
- College of Nurses Aotearoa
- DPA (NZ) Inc.
- Equity Support Group
- Engineering, Printing and Manufacturing Union
- Finsec
- Flight Attendants and Related Services Association
- Hazel Armstrong, Lawyer
- Maritime Union
- National Distribution Union
- National Foundation for the Deaf
- NZ Association of Occupational Therapists
- NZ Association of Counsellors
- NZ Dairy Workers Union
- NZ Dental Therapists' Association
- NZ Nurses Organisation
- NZ Association of Psychotherapists
- NZ Audiological Society
- NZ Council of Trade Unions
- NZ Recreation Association
- NZ Register of Acupuncturists
- Osteopathic Society of NZ
- Peter Sara, Lawyer
- Podiatry NZ
- Public Service Association
- Rail and Maritime Transport Union
- Service and Food Workers Union Nga Ringa Tota Inc

Our Aim

To build cross-party support for retaining the status of ACC as a publicly-owned single provider committed to the ‘Woodhouse Principles’, with a view to maintaining and improving the provision of injury prevention, treatment, rehabilitation and ‘no fault’ compensation social insurance system for all New Zealanders.

ACC in 2008

“the ACC scheme is consistent with the Woodhouse principles, adds considerable value to New Zealand society and economy and performs well in comparison to alternative schemes in operation internationally”.

PWC Australia, *Accident Compensation Corporation New Zealand: Scheme Review*,
March 2008



ACC in 2009

“The government can only be taking its extreme line on ACC because it's panicking or politicking. If it is the latter, it must have its sights set on sharply cutting ACC's services.”

Rod Oram Sunday Star-Times, March 15, 2009

Physiotherapy

- Endorsed provider network
- Higher subsidies to provide free services
- Meet ILO commitments
- Encouraged early treatment
- Costs far exceeded estimates
- Divisive in the profession



Physiotherapy – Govt response

- Scapegoat physiotherapists
- Cut funding
- End to free visits
- Massive drop in ACC clients
- Delays in treatment
- Growth in non-treatment
- Lack of support for the profession

Sensitive Claims New Clinical Pathway

- Administrative policy of ACC
- Required mental illness diagnosis rather than mental injury
- Assessment by clinical psychologist or psychiatrist
- Re-traumatising, a barrier to treatment
- Claims fell nearly 50% in following year
- Therapists withdrew

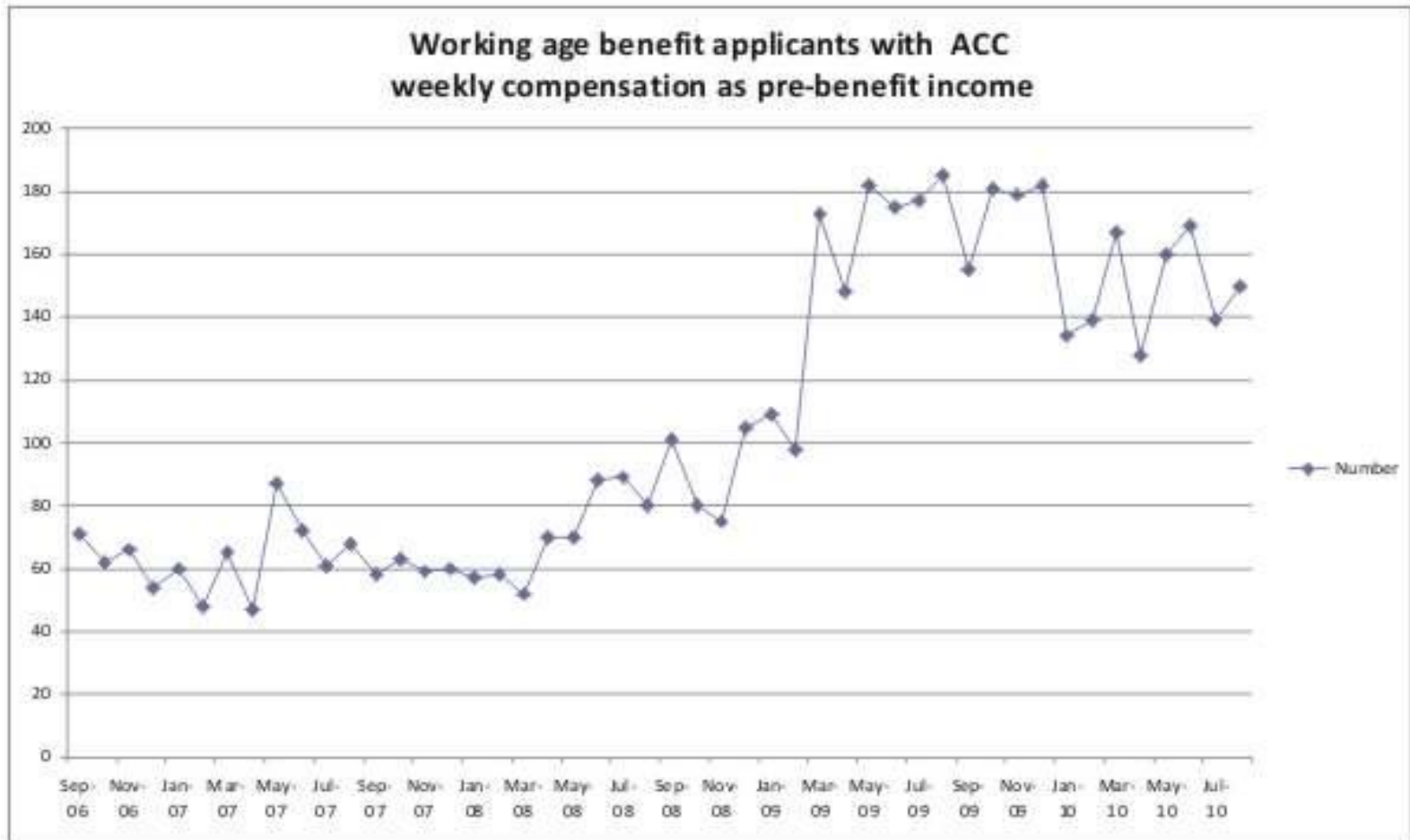
Sensitive claims – ACC response

- Independent review highly critical
- 16 ‘support’ sessions
- Mental health diagnosis still required during that time
- Many therapists still not engaged
- A feeling some progress being made

Legislative change – vocational independence

- Capacity to engage in work to which they are suited changed from 35 hours to 30 hours
- Optional for assessors to take pre-injury earnings into account
- More flexibility to declare injured workers fit for work and then to force them off weekly compensation and onto benefits

Vocational independence?



Legislative change - 6% hearing loss threshold

- Claimant must have a total hearing loss of at least 6% before ACC will consider the claim
- Claimant must have at least 6% damage before the claim will be accepted
- First numeric threshold for cover
- Discriminatory – no other injury has such a threshold
- 6% hearing loss is significant
- Takes no account of individual need
- Eliminates people who need rehabilitation

Legislative change - other

- Cuts in weekly compensation for potential earners
- Low income claimants not now entitled to receive minimum weekly compensation until the 6th week of incapacity
- Abatement of holiday pay

Elective Surgery

- No legislative change
- ACC required to establish that the personal injury is not excluded from cover (e.g. because it is caused ‘wholly or substantially’ by ageing or a non-work related gradual process, disease or infection)
- Costs increase 14% a year between 2002 and 2009

Elective Surgery

- Move away from ‘green light’ approach
- Began in mid 2008
- ACC increased internal clinical capacity
- July 2010 to Mar 2011 reviews of elective surgery in favour of client at average rate of 44% compared to 25% for other reviews
- External stakeholder concern leads to review
- *Recommendation* - Review clinical advisor resource, role and capacity across ACC

Other measures

- Cuts to injury prevention
- Part-charges for hearing loss rehabilitation costs
 - ACC's share of the costs will equal the percentage of hearing loss that is caused by injury
 - Ministry of Health will contribute
 - Claimant pays the rest
- Cuts to travel allowance for home support workers

Hearing loss - the real cost to individuals who cannot afford to pay

- Social isolation – people avoid social gatherings because it is too hard to hear
- Stress, frustration and sometimes anger at not being able to hear well
- The impact on their family of the isolation and stress
- Loss of independence

Increase in reviews

2009/10 DRSL has seen

- a 35% increase in new review applications over 2008/9
- An average of 800 new reviews a month
- 60% increase in new review applications over 2007/8
- Increase started in March 2009

Impact on health professionals

- Questioning of professional judgement (sensitive claims, elective surgery)
- Increase in paperwork
- Lack of support during changes (physiotherapy and audiology)
- Inadequate consultation during change
- Some withdrawing from ACC work

Conclusion

- Climate of panic and fear not conducive to engaged and considered decision making
- Alienation of many clients and health professionals
- Narrowing in focus away from the “social welfare nature and purpose” of the scheme to an insurance model
- Facilitating privatisation of the work account