



The Manifesto of the ACC Futures Coalition

Introduction

The ACC Futures Coalition consists of community groups, academics, organisations representing people who need support from ACC, health treatment providers, ACC lawyers and unions who have come together around the following aim:

To build cross-party support for retaining the status of ACC as a publicly owned single provider committed to the 'Woodhouse Principles', and a 'no fault' compensation social insurance system for all New Zealanders. Our commitment is to have an ACC scheme that has integrity and the trust of the public of New Zealand, and is focused on injury prevention, treatment, complete rehabilitation and compensation for the injured claimant.

In the original report of the Royal Commission on Accident Compensation (the 'Woodhouse Report') the Commission identified 5 principles that should govern how accident compensation should operate in New Zealand (the 'Woodhouse principles'). These were community responsibility, comprehensive entitlement, complete rehabilitation, real compensation and administrative efficiency, but the report also stressed the overriding importance of preventions. These principles remain as valid today as when first propounded in the 1960s.

This is our manifesto for a better ACC.

The Manifesto

Cross-party agreement

1. We are committed to building cross-party support for change, and call upon all the parties represented in parliament to come together around the ideas contained in this manifesto. A forum, involving political parties and all those with an interest in ACC should be convened.

Treaty of Waitangi

2. Maori experience of ACC is poor. As a first step to addressing the needs of Maori claimants the Accident Compensation Act should be amended to include a commitment to the principles of the Treaty, similar to the commitment in the New Zealand Public Health and Disability Act 2000, including the provision of mechanisms to enable Maori to contribute to decision-making on, and to participate in the delivery of, injury prevention, treatment, rehabilitation and accident compensation services.

Injury prevention

3. ACC needs to be active in fulfilling its leadership role in injury prevention, working closely with other government agencies and stakeholders such as unions and

business. We therefore believe that:

- a. There should be an emphasis on lead incentives, rather than lag incentives (experience rating) in setting levies
- b. ACC needs to work closely with the workplace health and safety regulator (and other relevant agencies) to share information and coordinate injury prevention programmes
- c. Legislative barriers to effective injury prevention in the Accident Compensation Act (e.g. s. 263(3)) should be removed
- d. ACC should maintain a programme of funding independent research on injury prevention.

Culture

4. The primary focus of ACC should be on the claimant.
5. The membership of the Board of ACC should be laid down in statute to ensure that all significant stakeholders in the scheme, e.g. levy payers, claimants, unions, business, health professionals, injury prevention experts, are represented.
6. A culture of genuine engagement and trust needs to be established between management and the workforce of ACC and union membership should be encouraged, in order that worker voice on improving services can be heard.
7. ACC should adopt outcome based goals that reflect meaningful results, such as a sustainable return to work, instead of targets based on narrow outputs, such as reducing the number of claimants on weekly compensation.
8. Staff development at ACC should include training in cultural competencies for frontline staff.

Machinery of government

8. The operation of ACC as a Crown entity, at arms' length from government, has undermined accountability and split policy development from delivery. The ACC Futures Coalition calls for a review to consider handing the administration of the scheme over to a department of state operating on the conventional principles of ministerial responsibility.

Funding

9. Full funding of ACC was introduced in 1999 as a necessary corollary of the decision to fully privatise the work account. ACC Futures coalition supports a return to pay-as-you-go for ACC but with sufficient reserves to meet the cost of a disaster or unforeseen circumstances, and allow for levy smoothing. The process of transitioning from full-funding to pay-as-you-go requires careful management and must ensure that reserves built up by contributions levied for the purpose of accident compensation, treatment and rehabilitation, and injury prevention, are not used for other purposes. We do not support:
 - a. Levy holidays or levies set at artificially low levels
 - b. Fluctuations in levies
10. We support a review of funding arrangements to:
 - a. Identify the level of reserves necessary to provide for a sustainable pay-as-you go scheme and maintain affordable and stable levies

- b. Establish appropriate transition arrangements to pay-as-you-go.

Rehabilitation and vocational independence

11. When New Zealanders gave up the right to sue for personal injury we also gave up the right to compensation for loss of potential earnings. In return we had a scheme that was focused on rehabilitation as well as compensation, but vocational independence testing has developed as a tool to move people off the scheme, either onto benefits or into jobs that are not comparable with the income they have lost. The standards for determining that a person is vocationally independent are set too low and are being used too early and frequently in the claimant's rehabilitation. ACC Futures Coalition recognises the value of work and meaningful occupation and wants a focus on rehabilitation (including retraining) that enables claimants to achieve that. Vocational independence testing either needs to be abandoned or be based on objective evidence that the injured person can return to work at the same occupation or one that enables them to engage in work that is comparable and provides comparable rewards.
12. Claimants should be considered to be vocationally independent when they are capable of working full time (37.5 hours a week).

Privacy

13. We support the establishment of an ACC ombudsman who can provide oversight of ACC and accredited employer processes including privacy matters, and can direct ACC to take remedial action.
14. That ACC face fines or other penalties where claimants' privacy is breached.

Contracting with providers

15. In order to make expectations of providers clear ACC should develop a service specification for all providers, to be developed in conjunction with health professional associations and consumer groups.
16. ACC contracts should identify cultural competency as one of the key competencies expected of providers.
17. Many NGOs and small businesses that contract to ACC struggle to manage on current levels of funding and this can be reflected in the terms and conditions of employees. ACC should adopt responsible contractor principles to ensure that levels of funding are adequate and that the staff employed by providers have effective health and safety systems and pay and conditions comparable to health workers in the public health system.
18. ACC should manage its contracting processes to ensure that specialist expertise among providers is retained.

Complaints/reviews/appeals

19. Disputes Resolution Services Ltd. should become an independent crown entity, rather than a crown entity company, attached to the Ministry of Justice.
20. Costs at review should be increased to enable full recovery of the cost of clinical reports and a greater contribution towards legal costs.

21. That rules are developed with input from the NZ Law Society for DRSL reviewers to ensure fairness in light of the disparity of resources between claimants and ACC, and to ensure consistency between reviewers.

Independent assessors

22. That a panel of clinical specialists be established, under independent oversight, for the purpose of ensuring the independence of ACC commissioned clinical assessments and vocational independence assessments.
23. The organization responsible for the independent oversight should work with the responsible authorities under the Health Practitioners' Competence Assurance Act to improve the accountability mechanisms for all assessors contracted by ACC.
24. Claimants should have the right to select an appropriately qualified assessor.

Occupational disease and noise induced hearing loss

25. Occupational disease usually involves long-latency and multiple employers, and in some cases (such as hearing loss) it can be difficult to establish the extent to which the problem was work related, degenerative or arose as a consequence of activity outside of work. Therefore we call for:
 - a. A review of occupational disease management (including hearing loss) with a view to removing the barriers to treatment and entitlements, and improving the co-ordination of the funding with the health system.
 - b. The re-establishment of the Gradual Process, Infection and Occupational Disease Advisory Committee.
 - c. The inclusion of occupational disease in the further education programmes for health professionals.

Privatisation issues and the Partnership Programme

26. The ACC Futures Coalition remains opposed to the use of private underwriting of any of the ACC accounts.
27. The ACC Futures Coalition recognizes the potential of the Partnership Programme to deliver positive outcomes for workers provided that:
 - a. The Partnership Programme fits within the ACC scheme, and is not separate from it
 - b. It complies with the Woodhouse Principles of comprehensive entitlements, real compensation, complete rehabilitation, community responsibility and administrative efficiency
 - c. There is no risk shifting to employees
 - d. Proper and independent complaint and review processes being available
 - e. Health and safety effort is maximised
 - f. Entitlements are preserved
 - g. The experience for the injured worker is better than the ACC experience
 - h. The partnership between unions, workers, employers and ACC is integral and is maintained at both a strategic and workplace level, including third party administrators working on the employers' behalf
 - i. Employee participation is genuine, supported and effective.
 - j. Injured workers privacy is maintained

- k. There are properly resourced and robust approval and audit processes conducted by ACC, rather than contractors
 - l. Employers have the capacity and capability to manage the programme.
28. The ACC Futures Coalition is opposed to the extension of the Partnership Programme to small and medium employers.