



ACC Futures Coalition

Richard Moon, member of the Osteopathic Society of New Zealand which proudly and actively supports the stand that the ACC Futures Coalition is making, delivered his speech on behalf of the coalition health providers.

Good Morning,

My name is Richard Moon I am an osteopath and sole practitioner with a busy general practice north of Auckland. I am here today to speak in part for the Osteopaths, Chiropractors, Acupuncturists, Occupational Therapists, Podiatrists, Nurses, Dental Therapists – and any other provider under the ACC scheme that treats the workers, their kids, the mothers, grandparents, Aunts, Uncles and the whole lot of us who suffer injuries both in work and at play.

Already many of our patients are expressing concern as to whether their injuries are going to be covered by ACC, and how proposed changes might affect them in the future. It's the forestry workers, the farmers, the tourism operators, the horticulture industry, the builders, fishermen, engineers; in fact all of us who stand to be affected by this threat to ACC.

We are beset with the most challenging of times. At a time when our Government recommends 'fiscal responsibility' and reassures us that we enjoy a degree of protection from uncertainty due to our unique place in the world, it simultaneously starts to dismantle our most iconic of social welfare cornerstones. How does that work? Frankly, it doesn't.

In the 25 years that ACC has served New Zealanders it has become part of the furniture. It can be easy to lose sight of how it makes our lives possible.

It allows us to work in secure environments, we know that if it all turns to custard it will help us pick up the pieces. Despite its faults, we know that its heart is in the right place. We play sport, coach our kids, fish, dive, tramp with our mates and have the opportunity to live life in a unique way to New Zealand; all covered by ACC. Strike at the heart of this system, tinker with the work place compensation and watch it slowly come tumbling down.

In all the statistics that Nick Smith has rolled out, there has been little to show that ACC works. "ACC costs the country \$2.5bn a year..." Yet because it exists, so can we offer adventure tourism which gathers over \$7.5bn a year.

This isn't just about money. It's about our lives and how we get to enjoy them. Try riding your horse, motorbike, jet ski, or kite surf any where else in the world and see how easy it is. Here we can, because we're covered, and ACC covers those who would instruct us or employ us in those or thousands of other industries.

What effect is the Government threat likely to have on treatment providers and the general public? Compensation entitlements for patients will be reduced, accessibility to some rehabilitation services will almost certainly be reduced, and those of us who were in practice in 1998 when the then National Government allowed private insurers to provide work- related accident insurance can tell you in practical terms exactly what it means.

Overnight we went from a system that was transparent and easy to negotiate to one that became an expensive, administrative nightmare. Providers such as myself found themselves drowning in paperwork from multiple insurers. Compliance and administration costs sky rocketed. There was no consistency. There were no apparent standards. What we did have was confusion by the bucket load.

Patients were unsure as to who their insurers were, some employers did their best to persuade their employees that their injuries were not sustained in the workplace; it was disastrous. The private insurance companies scrambled to the bun fight, often employing people who, with little training, and even less experience in handling accident compensation cases, were making clinical decisions affecting our lives.

For treatment providers there was no longer any surety of delivery of services. We couldn't even be sure of when we would get paid. It was not unknown to have to wait four months to receive payment from an insurance company. Overdrafts spiraled, there seemed to be no accountability or course of redress. Hardly a comforting scenario as we face an ongoing recession.

It would be a big mistake to open up ACC to an environment of 'competition and choice' again. How would an employer choose one Insurer over and above another? What proven 'track record' would these insurers be able to demonstrate?

ACC is a proven low cost scheme that serves all New Zealanders well. It is the envy of other countries. It has been independently reviewed and assessed by academics, professionals and industry specialists alike, the results of which are widely published.

According to the PricewaterhouseCoopers report on ACC, the scheme provides a faster return to work after injury than any other comparable scheme. That translates into a benefit of around \$315 million to the New Zealand economy.

Recommendations have been made to improve ACC, and these are the changes that should be implemented. It would seem beyond belief that the Government is not only ignoring these recommendations, but actually going in the opposite direction!

Why switch to a system that almost guarantees that the less well off without insurance are going to miss out. That disadvantages those who are already disadvantaged. The only real benefit will be to the shareholders of overseas insurance companies who operate here, and once again it will be the general public of New Zealand who will pay the cost in time, money and in the erosion of this social innovation.

From a treatment provider's perspective, I would expect that any fragmenting of the accident compensation scheme would result in a decline both in the number and quality of practitioners. Fewer people will want to embark on a career that offers so little stability in economic delivery, and with so much administrative hassle.

Health providers come from a variety of backgrounds. We have a variety of health philosophies and in how we deliver our services. We may not see 'eye to eye' on all things, but we are united in these two ideals:

- We do our best to achieve the best possible outcomes for our patients. In taking the best care that we can of them, we provide for ourselves, our families and for the productivity of New Zealand.
- We *all* support improving the ACC scheme. None of us sees any logic in dismantling it. It

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makes no sense.

The government is obviously under pressure to open up accident insurance to competition. We are a competitive nation. We take a delight in taking on things bigger than ourselves and proving ourselves on the world stage. But when it comes to taking care of our own people injured by accident, competition is not our best option. It cheapens us and belittles the good that we can do.

Historically New Zealand has led the way in social innovation, and in the ACC system we are the world leaders. There is no international competition.

As a health provider I would advise that what the government needs to ask is "How may it serve New Zealand to achieve the best possible practice outcomes for New Zealanders?"

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