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## Tough year draws to a close

**2009 will go down as a tough year for ACC and those who work with us to provide treatment and rehabilitation services for injured clients.**

To be frank, a fast-growing claims liability driven by rapidly increasing costs and demand for services, in an environment where constraints in levy income have contributed to a \$13 billion gap between our assets and liabilities, called into question the long term sustainability of the ACC Scheme.

Faced with these circumstances, we have moved to make firm business decisions designed to protect the Scheme and ensure its future for all New Zealanders.

We have, therefore, increasingly taken a more business-like approach to our operations generally, and to our relationships with providers, to ensure vital changes to policies, processes and contracts could go ahead.

For example, we adopted the new health purchasing framework as our guide to buying quality services at prices which reflect value to levy payers. We proactively monitored delivery and focused on outcome measurement to ensure positive outcomes for clients.

This approach, developed over the past two years amid growing realisation of the long term impact of rising costs, has challenged the treatment and rehabilitation sector as we have tried to strike a balance between what we can pay and maintaining strong and innovative providers.

For many providers, as well as ACC, the adjustment has been difficult as decisions have impacted on businesses. These have included some movement to a limited vendor model (to ensure service cover and quality and provide for enhanced capability), which has meant that some providers no longer deliver services to us. Physiotherapy prices have fallen, on average, by 30%. Home and community services and vocational and social rehabilitation client assessors have received fewer referrals. A more rigorous approach to applying our legislation has led to greater scrutiny of all cover decisions and entitlements. So in areas such as applications for elective surgery more have

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## Tough year draws to a close *continued ...*

been declined (although the total number of approved procedures still rose).

None of these decisions has been easy, but amid all of this rationalisation of how we do business, there are signs of real progress.

The application of the better at work philosophy through both the Stay at Work and PHO-based Better@Work services is showing signs of fewer lost working days and more effective rehabilitation of injured workers. Rehabilitation performance has improved significantly, with two out of three rehabilitation targets (the time it takes people to get back to work) being met between 1 July and 30 September, and all results are on track to meet end of year targets. We've helped many of our longer term clients to move off the ACC Scheme and have a shot at re-engaging with productive and independent living.

We expect these green shoots will continue to grow in the year ahead. Yet pressure to drive down Scheme costs and improve operational performance will continue as we move to protect the long term future of the ACC Scheme for the benefit of injured people.

In doing so, we want to work with providers to help keep the ACC Scheme sustainable – but it's a two-way process.

The best providers will respond pragmatically to difficult times and step up to the plate. Change will be fast, and providers that are agile and able to respond will succeed. Everyone – ACC, clients and the provider community – will have to adjust to these new realities.

I can assure you of this: while we must make hard-nosed decisions, they are not made with hard hearts. Everyone at ACC remains committed to helping people through their injuries and returning them to their normal lives. It is a goal which I know the treatment provider community shares, and it is something we shouldn't lose sight of during 2010 as we work together to ensure both the ACC Scheme and the provider community are able to deliver on it next year and in the years ahead.

So I'd like to thank you all for the services you have provided, and for your positivity in the face of change. Enjoy a well-earned break over the holidays, because 2010 will be another challenging year.

**Gail Kettle**  
**Director, Health Purchasing and  
Provider Relationships**

### **ACC NEWS feedback:**

We would appreciate your feedback about ACC News.

Please email us at [feedback@acc.co.nz](mailto:feedback@acc.co.nz).

## Better@Work extends

Nearly half a million workers (whether injured at work or in their other daily activities) in Auckland and Hawke's Bay will have access if they need it to ACC's Better@Work programme, thanks to new partnerships with HealthWEST Primary Health Organisation (PHO), Harbour Health PHO and Hawkes Bay PHO.

Better@Work's key strengths are its collaborative working arrangements. The programme's co-ordinators, employed by the PHOs, bring clients, GPs and employers together to plan clients' safe stay at, or return to, work. They work with all parties to identify the clients' abilities rather than their disabilities, and provide support that enables them to rehabilitate at work. Depending on need, this could include alternative duties, workplace support or finding ways for clients

to stay in touch with the workplace.

Better@Work is based on research that clearly shows workplace rehabilitation provides clinical, social and financial benefits for injured clients. In time, we expect it to foster a cultural change in the way GPs think about returning injured clients to work, and how employers think about keeping injured people productively involved in their workplaces. As a result, fewer workers will be certified as fully unfit for work, because GPs will have confidence that their patients' workplace rehabilitation is being safely managed.

Already successfully trialled at Lake Taupo PHO, the programme will be rolled out nationwide next year.

## Changes to high-tech imaging contracts

From 1 December 2009, ACC will make some changes to the way we purchase high-tech imaging (HTI) services such as MRI and CT scans.

The new contract extension (which excludes urgent or acute scans at public hospitals) will progressively lower the prices paid to radiologists and other HTI scan providers, with a 20% price reduction to be achieved by August 2010. This step reflects a 120% increase in the cost of scans in the past five years – a far higher rate than population growth, inflation, claim numbers or any other environmental factor.

We recognise that scanning is a valuable diagnostic tool and a key part of effective rehabilitation – and we're confident that the new prices are consistent with maintaining client outcomes while ensuring value for money for levy payers.

Other significant changes in the contract include:

- a requirement for regular reporting on scan referrals, which will mean better information and, in turn, more informed decisions
- a provision that enables ACC to specify procedures which must have approval before they are undertaken. Since prior approval was dropped in 2004, the number of scans has grown by 20% a year. This change will happen some time after July 2010, and both vendors and referrers will be contacted once implementation has been confirmed
- a requirement for providers to transmit a copy of their reports to ACC.

## Dental claims – how can you help?

Before ACC can fund the cost of any dental treatment, we must consider whether the client has ‘cover’ for their accident under the Injury Prevention, Rehabilitation, and Compensation Act 2001.

When we receive a claim via the dental injury claim form (ACC42), our first step is to decide whether the injury meets the criteria for cover under the Act. We then determine whether the treatment requested is appropriate for that type of injury. We do this by checking the treatment request against the dental injury classification on the form.

To help us make and act on cover decisions promptly, we’d appreciate your ensuring that clients complete full accident descriptions on the ACC42. Sending in diagnostics with the ACC42 taken at the time of the accident can assist ACC with the decision making process. If you have concerns about the claim, simply contact us to discuss it.

### Claims delayed in lodging

We also often receive ‘late lodged claims’ – that is, claims for accidents that happened more than 12 months previously. In these cases, we assess whether the late lodging has affected our ability to make an informed decision about the claim. It’s particularly

useful to have copies of consultation notes or diagnostics from the time of the accident. If you have this information and can send it with the ACC42, please do so – it’s likely to greatly speed up the decision turnaround time.

### Teeth damaged while eating

A large number of claims we receive relate to people damaging their teeth while eating. Our investigations into these claims include establishing whether the food contained a ‘foreign object’ – that is, something not normally found in food. For example, if a client chips a molar tooth by biting down on a piece of glass in a fruit pie, their claim is likely to be accepted as a piece of glass is something that is not normally found in a fruit pie. However, if they break their upper denture on a peach stone while biting into a peach, their claim will probably be declined as a peach stone is what you would normally expect to find in a peach.

### Dental invoicing

Treatment providers must invoice ACC for services provided to ACC clients (ie the initial consultation and any subsequent services) within 12 months after providing the service. Invoices that fall outside this timeframe will be declined for payment.

## Upcoming conferences and events

11-14 March – **Rural New Zealand General Practice Network 2010 Conference**, Christchurch. [www.conference.co.nz/index.cfm/rgpn10](http://www.conference.co.nz/index.cfm/rgpn10)

26-28 March – **Goodfellow Symposium 2010, Auckland**. [www.goodfellowsymposium.org/](http://www.goodfellowsymposium.org/)

26-30 March – **The New Zealand Association of Musculoskeletal Medicine Conference 2010**, Auckland. [www.musculoskeletal.co.nz/content/conference-2010](http://www.musculoskeletal.co.nz/content/conference-2010)

## Pharmacy pain management case studies

ACC will be distributing its *Pharmacy Pain Management Case Study* booklet to pharmacists nationwide in December.

The booklet is the final chapter in the pharmacy case study vignettes on ankle sprain and back pain that were mailed to pharmacists in early December 2008. An excellent reference tool for pharmacists, it provides:

- a detailed analysis of the responses received
- commentary from two New Zealand clinical experts on the responses and answers
- additional reading material and reference links to best practice.

The booklet will be distributed to all members of the New Zealand College of Pharmacists, and can also be ordered and downloaded at [www.acc.co.nz](http://www.acc.co.nz).

Also on the website are two free, downloadable resources for pharmacists (and their assistants and technicians) that deal specifically with acute low back pain. They provide a summary of red and yellow flags along with flowcharts to help in diagnosis and treatment.

If you have any questions or feedback on the booklet or acute low back pain resources, please email Hans Jorgensen at [hans.jorgensen@acc.co.nz](mailto:hans.jorgensen@acc.co.nz).

## Fall prevention programme funding changes

As you're probably aware, ACC is changing the way it funds two community-based fall prevention programmes: modified Tai Chi and the Otago Exercise Programme (OEP), which respectively target people aged 65 and over (55 if Maori and Pacific) and 80 and over.

The change reflects our drive to achieve the greatest impacts from our investment in fall prevention initiatives, and is part of a move to target a broader age range.

Currently, around 42% of falls happen to people aged 25-64 years. However, about 70% of our investment in fall prevention is focused on older adults, who represent just 17% of fallers.

We're therefore looking at ways to achieve a better balance in the age groups we target, to deliver the best possible value to levy payers.

The changes mean that from January 2010 we will now fund once-weekly modified

Tai Chi classes (over a total of 16 weeks) for older adults who have had a fall or are at risk of falling. This replaces a 20-week programme comprising two classes per week, and means in some areas there will be more classes running, enabling more people to access the programme.

Research shows that participants will still gain the benefits of increased lower leg strength and balance from attending the abridged programme.

For the OEP, we'll no longer be funding new participants after 1 January 2010.

This specialised strengthening and balancing programme is delivered in the home by a trained nurse or physiotherapist. It achieves excellent results, but it's relatively expensive to run and reaches just 2% of the 80-and-over population.

For more information email [fallsprojects@acc.co.nz](mailto:fallsprojects@acc.co.nz).

## New programme to help prevent re-injury

ACC is to trial a new programme that offers existing injury prevention services to clients with a high risk of being re-injured.

'Preventing Re-injury' (PRI) is designed for clients:

- with soft tissue back injuries or injuries that have resulted from falls
- who have both a current entitlement claim and a previous claim for the same sort of injury in the previous three years (clients 65 years and over with a current fall-related entitlement claim do not need a previous claim to be included)

These groups have been chosen because:

- back-related claims make up 16%, and fall-related claims 31%, of the cost of all active entitlement claims
- one in three active back entitlement claims is a second injury following another back entitlement claim in the previous five years (31%)
- almost one in two fall claims is a second injury following another fall claim in the previous five years (46%).

The four-month trial will start on 1 February 2010 in ACC's 'Midlands' region, which includes the Midlands Short Term Claims Centre and the Whakatane, Tauranga, Thames, Gisborne, Waikato (Hamilton), Hawke's Bay and Rotorua ACC branches. If

you have a patient living in the region, they may be referred by their case owner to one of three PRI services:

- **Tai Chi:** community-based modified Tai Chi classes for clients with fall claims who are aged 65-plus (55 and over for Maori and Pacific peoples). See [www.acc.co.nz/taichi](http://www.acc.co.nz/taichi) for more information.
- **Green Prescription** (ACC referrals not available in Whakatane or Hamilton): written advice and support for fall or back clients of any age who want to become active. Note the case owner will send the referral form to their GP or practice nurse to confirm that the patient is medically stable. See [www.moh.govt.nz/greenprescription](http://www.moh.govt.nz/greenprescription) for more information
- **ActiveSmart:** an online exercise programme tailored to the individual needs of fall or back clients aged 70 years or under who are self-motivated to become more active. See [www.acc.co.nz/activesmart](http://www.acc.co.nz/activesmart) for more information.

Meanwhile, we'll also be sending information about preventing re-injury to clients nationwide who have active ACC claims that meet the PRI criteria.

If you'd like more information about the PRI programme, please email [preventingreinjury@acc.co.nz](mailto:preventingreinjury@acc.co.nz) or phone 0800 222 070.

## Important: Invoicing ACC

There have been instances where ACC has been approached to pay invoices for services that have been provided more than 12 months beyond the date of the service being delivered. This practice is not acceptable to ACC and is not sound business practice

ACC would like to remind providers to invoice for services provided as soon as practicable after the date of service provision. ACC requires that services are invoiced within 12

months of the date of the service being delivered.

ACC regards its providers as being in a business relationship with ACC. As a business partner they are expected to have sound administration, financial and reporting systems. Indeed, this is one of the factors that we consider when renewing existing, or establishing new provider contracts.