

20 May 2024

Kia ora [REDACTED]

Your Official Information Act request, reference: GOV-032029

Thank you for your request of 20 April 2024 to [REDACTED], asking for information relating to travel calculations for Vocational Rehabilitation Services. Due to the nature of your request, it was transferred to my team for response under the Official Information Act 1982 (the Act). I have provided a response to each of your questions in turn:

1. How was travel calculated for the VRS?

The Vocational Rehabilitation Services contract (VOC) is priced using a package funding model. Package funding works on the principle of “unders and overs” which recognises that some clients will require less support therefore spending less than the packaged price whilst others will require more support than the package price.

The package funding is built on a composite number of hours, based on client complexity (low, moderate, high) with the travel component embedded into the package. The exceptional codes, work trial, job search and standalone workplace assessment do not have travel built into these codes.

For non-exceptional travel, less than 150 kilometres per round trip for a workplace visit is included in package rates. A contribution to exceptional travel time and distance can be claimed if the round trip for a workplace visit exceeds 150 kilometres. Travel time and distance under 150 kilometres cannot be invoiced separately or using other VOC service item codes.

2. What is the hourly rate for therapy in the VRS for therapists versus the TI hourly rehab rate for therapists?

3. If it is not based on an hourly rate what \$ component of the SAW1 and SAW2 and Init Func Rehab package rates is the travel component?

The VOC package pricing is based on a composite rate of multiple professions. The Training for Independence (TI) contract is fee for service and is based on an hourly rate per professional group.

As the service works on an “unders and overs” model, the allocation of travel is not specific to a dollar value per service, but rather averages out over the client cohort the Supplier receives.

4. How was the travel component of the package rates estimated/calculated?

5. If it covers up to 150 km each way before they can charge for exceptional travel in the VRS - whether travel is required or not how was that calculated? Was an hourly rate used with a proposed portion of the VRS referrals expected to need travel? Or was there another way of calculating it all out?

Travel in the VOC has been built up into the package funding for each service stage. Based on information ACC has of average travel requirements for VOC suppliers to provide service to ACC clients, an allocation of hours and distance has been made to each of the packages which averages out over the client cohort the Supplier receives.

6. *Can you explain ACC's reasoning for charging one rate for travel time in the first hour and a different rate in the subsequent time?*

In the VOC, a contribution to exceptional travel time and distance can be claimed if the round trip for a workplace visit exceeds 150 kilometres. There is no price difference for the first hour or subsequent hours for exceptional travel time, this may be billed per hour or part thereof.

For contracts that include codes for travel in the first hour and a further code for subsequent hours, there is a differential in the rate as this portion of the travel in the first hour has been considered with an allowance included in the rate of the initial procedure code, allowing for this part of the travel.

As this information may be of interest to other members of the public

ACC may decide to proactively release a copy of this response on ACC's website. All requester data, including your name and contact details, will be removed prior to release. The released response will be made available www.acc.co.nz/resources/#/category/12.

If you have any questions about this response, please get in touch

You can email me at GovernmentServices@acc.co.nz.

Ngā mihi



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