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Our Ref: MT52-16

The Manager
Accident Compensation Policy
Ministry of Business, Innovation, and Employment
PO Box 1473
WELLINGTON 6140

By email: ACregs@mbie.govt.nz

To whom it may concern

Consultation on ACC regulated payments for treatment

Thank you for providing the Royal New Zealand College of General Practitioners (the College) the opportunity to comment on the *Title of Consultation*.

Introduction to general practice and the College

General practice is the specialty that treats patients: with the widest variety of conditions; with the greatest range of severity (from minor to terminal); from the earliest presentation to the end; and with the most inseparable intertwining of the biomedical and the psychosocial. General practitioners (GPs) treat patients of all ages, from neonates to elderly, across the course of their lives.

GPs comprise almost 40 percent of New Zealand's specialist workforce and their professional body, the Royal New Zealand College of General Practitioners (the College), is the largest medical College in the country. The College provides training and ongoing professional development for general GPs and rural hospital generalists, and sets standards for general practice. The College is committed to achieving health equity in New Zealand. To achieve health equity, we advocate for:

- A greater focus on the social determinants of health (including labour, welfare, education and housing).
- A greater focus on measures to reduce smoking and to increase healthy food options for low-income families.
- Health services that are better integrated with other community services.
- A review of the funding model for primary care to ensure that funding is targeted towards the most disadvantaged.
- Free primary health care for low-income families, because health inequities begin early and compound over the life course.

Submission

It is the College's view that the proposed 2.22% increase in payments in the Cost of Treatment Regulations is in keeping with other trends throughout the sector, but is insufficient in the context of general practice. The increase does not cover the true costs of treatment for general practice, and maintains the difference in valuation between GPs and care from other providers. It is suggested that ACC contracts should better reflect annual increases in cost-creep and growing cost-shifting to general practice that occur over and above regular inflation index based adjustment (e.g. additional time cost for completing online ARC-18 form, compared to hard-copy form).

The College recommends that each individual treatment charge should undergo robust review to remove the price-point disparity between what GPs are able to claim, compared to what other specialists may claim for the same or similar treatments. One example provided by a member was MT3 payments: A subacromial steroid injection provided by a GP receives less coverage than an ultrasound-guided subacromial steroid injection provided by a radiologist, despite both achieving similar clinical outcomes. Inconsistencies are also seen between contracts and regulated payments with members commenting that Accident and Emergency Centres receive significantly more for the provision of identical services/treatment of the same quality. Where the service being provided is the same, the College advocates that regulated payments should be equal.

As acknowledged by ACC, co-payments for treatment creates barriers to care for those on low-incomes yet remain necessary to cover costs not met by funding. This required co-payment encourages such patients to go to Accident and Emergency Clinics (A&E) (for example for an x-ray) rather than their GP which can be detrimental to the continuity of care of the patient and unnecessarily strains the resources of A&E. Alternatively, GPs shift the cost to other patient groups (i.e. recover some costs through other co-payments) which skews cost-analysis for other treatments and raises equity issues.

The College consequently advocates a greater increase in Cost of Treatment Regulations for GPs to appropriately reimburse for the level of care being provided and reduce inequities in access to care created by underfunding.

We hope you find our submission helpful. Should you require any further information or clarification please contact the College's policy team at policy@rnzcgp.org.nz.

Yours sincerely



Michael Thorn
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