



PREVENTION. CARE. RECOVERY.

Te Kaporeihana Āwhina Hunga Whara

Orthotic Services

Information Session on proposed contract

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Welcome

- Purpose of Webinar
- Housekeeping
 - If you have a question type it into the chat section on Webex now and it will be answered later, time permitting
 - This presentation and updated FAQs will be published on GETS

Webinar outline

1. Orthotic Services - definition
2. Current arrangements
3. Issues
4. Key elements of proposed contract
5. Questions
6. Next steps

Orthotic Services

For the purpose of the proposed contract

- Consultations provided by Orthotists
- Provision of orthoses

Orthoses

Externally applied devices used to support, align, correct or improve function including:

- Off-the-shelf pre-fabricated items
- Customised
- Fabricated bespoke items

Current Arrangements

- ACC purchases orthoses through contracts and individual reimbursement
- Approx. \$4.7m pa non-contracted growing at average of 8% pa – focus of new contract
- Large number of unique suppliers (560 in 2016) but 25 of these account for approx. 75% of the cost
- Only 11 suppliers received over \$100k in 2016
- Average cost of claims (consultation and orthoses combined) \$315 in 2016

Current Arrangements – cont.

- Orthoses supplied by a range of health professionals
- The share of the current cost is *estimated* as:
 - Orthotists 75%
 - Podiatrists 13%
 - Physiotherapists 10%
 - Others (eg. osteopaths, chiropractors) 3%

Current Arrangements – cont.

Referral from an approved medical practitioner required:

- Orthotists – for consultation and provision of orthoses
- Podiatrists – (and other allied health practitioners under the CoTR) self-referrals are accepted for consultations

All provision of orthoses requires prior approval for ACC payment.

Consultation

Development of proposed contract included sector research and consultation with:

- Professional groups
 - NZOPA
 - PodiatryNZ
 - Physiotherapy NZ
 - NZOA
- Key suppliers
- ACC staff

Key issues

- Time to process prior approval applications (4 – 6 weeks) delaying treatment
- Delays and unnecessary additional costs due to requirement for medical practitioner referral
- Inconsistent ACC approval decision making
- Inconsistent requirements of suppliers

Key issues – cont.

- Variability in supplier pricing for same item
- Potential for provision of orthotics by unqualified suppliers
- Invoicing provides poor information on what ACC is purchasing
- Current codes ill defined and not known by suppliers
- Poor ACC data

Contract objectives

Improvement on current arrangements, first step and platform for further development

- Reduce time for processing prior approvals
- Consistent ACC approval process and supplier requirements
- Minimum standards for Orthotist providers (other allied health practitioner providers covered under CoTR)
- Improved information on ACC purchasing

Key elements of proposed contract

- Only suppliers who are awarded a contract will be able to invoice ACC for Orthotic Services provided by Orthotists and Podiatrists
- Orthotists required to be accredited members of NZOPA
- Referrers to Orthotists extended to include GPs, Podiatrists and Physiotherapists
- Podiatrists no longer need referrals to provide orthoses
- Consultation rates for orthotists

Key elements of proposed contract – cont.

- Prior approval from ACC is *not* required (Orthotist consultations)
 - Simple consultation and one follow-up
 - Complex consultation and up to three follow-ups
- Prior approval *not* required where orthoses cost \$300 or under *per claim*
- Invoice template with codes identifying consultation (orthotists) and orthoses categories

In addition...

- Operational guidelines to support contract (live document)
- Internal policy and processes for ACC staff (provided to all ACC staff with training where required)
- ACC target for prior approval processing – 10 working days
- ACC monitoring of contract to confirm compliance and develop better understanding of orthoses costs and volume

Questions

Received prior to Webinar



Q1: Why aren't physiotherapist providers included in the contract?

The inclusion of physiotherapists was considered and discussed with Physiotherapy NZ.

A decision was made not to include physiotherapy providers due to:

- the number of physiotherapists would make the contract difficult to manage
- another option for physiotherapists available – inclusion in their existing contract

The possibility of a Podiatry contract was raised by PodiatryNZ.

This is outside the scope of this work but remains an option for the future.

Q2: Why is the consultation rate in the contract different than that for podiatrists?

Podiatrists (and some other health practitioners but not Orthotists) are covered by the CoTR which sets consultation rates.

The consultation rate for orthotists was established by comparison with the CoTR and a market survey of actual consultation costs by both podiatrists and orthotists.

The rate is higher than that in the CoTR because orthotists, unlike podiatrists, can't charge a consultation co-payment.

Q3: Can an orthotist charge a co-payment for a consultation or an orthoses?

An orthotist can't charge a co-payment on consultations in the proposed contract.

The reason for this is that a co-payment is not currently charged.

ACC pays the full cost of orthoses (with the exception of non-work footwear) so co-payment is not relevant for this component of the contract.

Q4: How did ACC decide on \$300 as the orthoses price over which prior approval would be needed?

ACC reviewed the data it holds on the cost of orthoses per claim. \$315 is the overall average claim cost.

This was not analysed by provider or by type of orthosis due to deficiencies in ACC data.

This is also the level in other ACC contracts (eg. Clinical Services and Hand Therapy).

A conservative approach was deemed appropriate in this first contract for the service

Q5: What is included in the cost of orthoses

Pre-fabricated

- Cost of product

Customised

- Cost of product and any materials and other costs associated with customisation

Fabricated

- Cost of all activity associated with the fabrication of the orthoses

Note: fitting is included in the follow up cost

Q6: What is meant by “Actual & Reasonable” invoicing for orthoses?

It is expected that suppliers will charge a margin on orthoses.

ACC expects that any margin charged to be within the range of that charged by other suppliers and be no more than that charged other customers.

The wording in the Service Schedule will be changed to better reflect what is intended.

Q7: What is the process for long-term clients fit?

Long-term clients may require on-going orthoses.

Under the contract ACC long-term clients will be able to self refer to a contracted supplier of their choice.

The clients support co-ordinator will manage the claim.

Orthotic consultations for these clients are covered by Service Item Code ORT24.

Questions

Received during Webinar



Next steps & indicative dates

- 10 March deadline for feedback on the proposed contract and operational guidelines
- Applications open on GETS – Mid-March 2017
- Questions on application close - 10 April
- Applications close - 21 April 2017
- Applicants advised on outcome - 19 May 2017
- Contract start - 1 July 2017