

11 February 2014

Mr D Lohr
fyi-request-1385-4c4615de@requests.fyi.org.nz
fyi-request-1384-825d096e@requests.fyi.org.nz
fyi-request-1383-d249f1bd@requests.fyi.org.nz

Dear Mr Lohr

Official Information Act request

I refer to your three emails of 2 January 2014 asking for information under the Official Information Act 1982 (the Act). You requested information relating to timeframes for paying providers, alternative medicine and ACC as a Corporation. The response will address each request in turn.

Payment Timeframes

You asked what the average timeframe is for ACC to make a payment to a provider following treatment to an ACC client. Payments to providers are generally set for the 20th of the month following the receipt of an invoice for services. Various criteria must be fulfilled and the correct invoicing procedure must be followed to ensure payment. In certain circumstances, extra information may need to be collected before a payment can be released. The timeframe for releasing these payments would depend on the amount of information that is required.

There are various ways in which ACC receives invoices from providers. They can be submitted electronically or manually. For your information, the following table provides an example of payment timeframes and invoices received for chiropractic treatment, for the 2013 calendar year.

Invoice type	Average timeframe to pay	Number of Invoices
Electronic invoice - submitted via 'eBusiness Gateway'	9 days	412,837
Individual client invoice – manually submitted	13 days	452
Bulk client invoice – manually submitted	15 days	132,425

Alternative medicine

You asked if ACC has any 'alternative medicine' advisors involved in decision making, such as practitioners of traditional Chinese medicine or chiropractors. Also, who decides the level of diversity in medical advisory panels within ACC.

Alternative treatment is generally not available under ACC and consequently it does not require 'alternative' medical professionals. Chiropractic and Acupuncture treatments are not funded by ACC as alternative medicine, but rather as supplementary to normal medical management. Therefore, they are

assessed against the standards for medical effectiveness of treatment. Not all modalities employed in traditional Chinese acupuncture approaches or chiropractic care are funded by ACC. However, each provider may use elements of alternative or holistic/integrative medicine in their approach. For example, a physiotherapist may use acupuncture alongside other treatments in a treatment programme, such as exercise therapy and mobilisation.

When recruiting medical advisors, ACC looks for professional qualities, clinical experience and skills in communication. However, the choice of skill set is determined by the business need. For example; in the treatment injury area ACC might seek clinicians who have a background in surgical, pharmaceutical, or neonatal experience. In the area of rehabilitation and treatment, ACC would seek clinicians who have a strong understanding of rehabilitation and evidence based practice.

Diversity is introduced in this way, but also importantly, a more thorough understanding of practice areas is obtained through appropriate contact with the providers themselves as well as representatives from their professional bodies. For example, ACC has very functional professional links with the chiropractic board which has reinforced with members, the need for all practitioners to record the appropriate clinical information to demonstrate to any clinical reviewer the effect of therapy.

ACC as a corporation

- 1. Please explain why ACC was organized as a Corporation?*

ACC was created as a Corporation by the Accident Compensation Amendment Act 1980 (No. 73) because Parliament decided that this was the most appropriate structure for discharging its statutory obligations. It had previously operated as a Commission.

- 2. As a corporation, what category of corporation would this be, and the organizing principles upon which it was created?*

As it was created by the Accident Compensation Amendment Act 1980, ACC became a statutory corporation. That amendment Act also provided for it to have a Board, a Managing Director and a Deputy Managing Director, and made it capable of "...doing and suffering..." anything that a body corporate could lawfully do. You can review this Amendment Act on www.legislation.govt.nz.

- 3. Is this is a private corporation?*
- 4. If it is a private corporation, why was ACC formed that way?*

No & N/A.

- 5. Who owns the corporation? Does it have shareholders? If so, who are the shareholders of the corporation?*
- 6. Who is/are the directors of the ACC corporation?*

ACC does not have shareholders. ACC is governed by a Board of eight non-executive members appointed by the Minister for ACC. The Board appoints a Chief Executive who is responsible for the day to day running of ACC.

The current ACC Board members are:

Paula Rebstock, Chair
Professor Des Gorman

Trevor Janes, Deputy Chair
Kristy McDonald, QC

John Meehan
Gillian Spooner

James Miller
Professor Gregor Coster

7. *If ACC is not a private corporation, then what type of corporation is it?*

As per answer to question 2

8. *Is ACC, as a corporation, a "for-profit" corporation? If so, who decides how the profits are spent? What are their qualifications for making such decisions?*

It is not one of ACC's statutory functions to make a profit. ACC's role is to discharge the statutory functions imposed on it by section 262 of the Accident Compensation Act 2001.

9. *Please forward me the list accounts of which ACC has invested, listing amounts invested, and names of investments. i.e.: did ACC invest in Might River shares? Or something else?*

Information relating to the 50 largest equity investment is reported in ACC's annual report, which is publically available and can be accessed on its website <http://www.acc.co.nz/about-acc/reports-and-strategy/index.htm>. This decision complies with section 18(d) of the Act.

10. *Who ultimately decides how income/levys to ACC is spent? What is their name and title? How did they get the job? Were they elected or appointed? If appointed, by whom? How were they selected over other potential candidates?*

11. *Does that person have any medical training?*

ACC has a Board which is its governing body in terms of section 25 of the Crown Entities Act 2004.

12. *Is the Accident Compensation Corporation a government agency? Why or why not?*

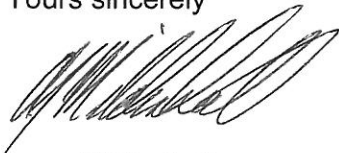
Parliament has classified ACC as a "Crown Entity" and as a "Crown Agent" under the Crown Entities Act, to administer the government's accident compensation scheme. ACC's primary governing legislation is the Accident Compensation Act 2001 (the AC Act 2001).

Please contact me at anna.mildenhall@acc.co.nz if you have any questions about this letter.

If you're unhappy with ACC's response, you may make a complaint to the Office of the Ombudsman. You can call them on 0800 802 602 between 9am and 5pm on weekdays, or write to:

The Office of the Ombudsman
PO Box 10152
WELLINGTON 6143

Yours sincerely



Anna Mildenhall
Senior Advisor