

Introduction

We'd like to update you on the progress we've made so far on re-designing ACC's vocational rehabilitation (VR) services and what we need to achieve to ensure we can deliver contemporary services which meet client needs, work towards a sustainable sector and provide value for money.

Activity so far

As you will know, ACC has made a good deal of progress in working with the sector to re-develop vocational rehabilitation services. As at March 2011 we had engaged on key issues relating to service design, agreed on core principles and considered the outlines of a new approach to delivering VR services.

Work with the sector to date has been significant and included:

- joint development of an initial discussion document
- refinement of the document and distribution to the sector
- consideration of sector feedback
- incorporation of sector feedback into service design.

Christchurch earthquake

Our intention was to move quicker on the development of the final service design, informed by the sector's response. Doing so will take a little more time, so we ask for your patience. As with some of your colleagues in the South island, we are fully focused at the moment on meeting the needs of clients and providers in the Christchurch region. This has led to a delay in progress, and is likely to continue to do so for a while yet, which we regret but acknowledge as inevitable in the circumstances.

Report on the sector's response to the VR Service Design Discussion Document

There was feedback from a number of respondents who asked us to go slower and carefully consider our response to the feedback. We have also been careful to take time in thoroughly considering the sector's response to our initial service design paper. That's because while we understand the sector's desire to quickly conclude the development process, it is also important to get the service design right to ensure that it is fit for purpose into the future.

We would like to thank all those who responded to our call for submissions, each of which has been considered.

Generally, there was a high level of agreement from respondents to the proposed service design in relation to:

- Principles and objectives as outlined in the discussion document
- A flexible service model
- Limiting the number of suppliers holding contracts to deliver services
- An interdisciplinary approach
- Early interventions
- Retaining highly specialised services that may stand alone from integrated services
- Improving accountability through key performance measures.

Areas where there was less support or differing views included:

- Whether suppliers need to have the capacity and capability to provide services across the continuum
- How ACC Case Management should fit within the model
- Whether performance measures should be linked with payment for services
- Whether ACC should be supporting clients to return to work or be work ready

- Whether ACC Branches should be involved in the procurement process to select suppliers
- How a relationship based approach would fit within the model.

A full summary of submissions is set out in the accompanying document.

Next steps

We want to keep you up to date with the next steps in service development. They are:

- further refinement of service design
- market research on vendor capability
- construction of a pricing framework
- development of vendor KPIs
- development of a service schedule
- contract procurement through the RFP process.

We value your commitment to the VR services review and would like to reassure you that you will be given full details of each of these steps, and a clear timeline of activity before the end of April 2011.