

Our proposal: Physiotherapy for New Zealand (Physio4NZ)

Community based physiotherapy is 'shovel-ready' compared to many of the 2020 Budget funding initiatives because physiotherapy 'demand' has been suppressed while the 'supply' of physiotherapists stands at the ready to resume full duty. Physiotherapy can provide a return on investment of between 29-47 QALYs/\$1m investment¹:

- Receive and triage people with musculoskeletal conditions early and provide community based care to avoid unnecessary disability
- Triage people currently waiting for orthopaedic surgery and provide non-invasive options to relieve the elective surgery waiting list backlog
- Support people diagnosed with long term conditions e.g. osteoarthritis, persistent pain, incontinence, respiratory conditions, diabetes to prevent additional referrals to elective surgery waiting lists
- Attend to early stroke management and the newly identified rehab patients' backlog
- Continue funding the use of telehealth as an effective nationwide care mechanism for those unable to access face to face physiotherapy
- Advocate for Allied Health leader representation in PHOs

The benefits to the system are:

- Kickstart sector recovery
- Provide people in pain or with disability who are unable to work or be active, immediate face-to-face or virtual physiotherapy contact post-rahui to increase participation in work and activities of daily living
- Reduce pressure on DHBs and PHOs
- Utilise models of care recommendations expected to feature in the Health and Disability Services Review

Impact of COVID-19 on Physiotherapy Businesses 2020

The nation's successful COVID response has unintended consequences

PNZ acknowledges COVID-19, and in particular the public health measures put in place as part of the New Zealand Government goal of eliminating the disease from this country, has affected all businesses in New Zealand.

In supporting the public health goals of the pandemic response the impact is that the community based physiotherapy sector went from fully functional to operating on average at 30% of capacity during the last week in March 2020. The wage subsidy offered by the government did enable many businesses to keep paying staff over the rahui, but was not enough to fully cover the costs of businesses.

Access to physiotherapy services post-COVID is likely to be severely compromised and will have economic impacts for patients and providers alike. Rehabilitation that has been put on hold will result in clients unable to return to work or daily activities due to unmet needs.

Unrealised and unprecedented opportunity to improving health outcomes for New Zealanders

COVID-19 has provided the health sector with the opportunity to rethink the way health services are funded and prioritised. There is a backlog of elective surgery that will create problems for DHBs. We have the opportunity to invest in evidence based community led non-surgical primary care. PNZ is

¹ NZIER 2020 Better outcomes through increased access to physiotherapy Report to PNZ.

requesting the Government invest a small proportion of the Vote Health funding allocated in the Budget, for primary care physiotherapy. Physiotherapy in primary care is “shovel-ready” – the workforce exists at local community level; the evidence base for a cost effective health service that maximises the use of all disciplines including physiotherapy is well documented and the investment takes pressure off the overloaded GP primary care and DHB settings.

There is an opportunity to address longstanding structural problems with physiotherapy funding models, support physiotherapy businesses to do good mahi, and optimise population health (at a time of unprecedented health loss) by:

- Providing Vote Health funding for people with long term conditions (like arthritis, persistent pain, incontinence, stroke, respiratory conditions, and diabetes) to access community physiotherapy.
- Targeting additional support to vulnerable populations through increased funding for those with community services cards, people with disabilities, Maori and Pasifika people, or those living in rural or remote areas (funded by ACC and Vote Health)
- Using evidence based models of care to relieve DHB waiting lists for specialist appointments – the Canterbury DHB Single Point of Referral System is one example.
- Triaging and funding primary care physiotherapy via PHOs to provide better patient outcomes and manage GP workloads and surgical waiting lists.
- Continuing funding for telehealth to build on the recent gains of using this medium of delivery as an effective nationwide care mechanism for those unable to access face-to-face physiotherapy services.
- Advocating for Allied Health leadership in PHOs

The fee for service model is an acknowledged long-standing problem that negatively impacts health equity and New Zealand’s disability burden. The health system is missing the potential contribution of a proficient workforce currently embedded across New Zealand communities because the funding mechanisms point physiotherapy towards ACC. ACC will subsidise the costs of treatment and rehabilitation as prescribed by the Accident Compensation Act.

Evidence based physiotherapy in primary care

There are many pockets of proven cost effective physiotherapy practice across NZ that warrant consideration by DHBs and PHOs:

- Prior to COVID-19 there were a number of initiatives in DHBs and a few primary care settings, based on UK Orthopaedic triaging models where physiotherapists are integral to patients having access to the most appropriate treatment at the optimal time by relieving the Orthopaedic Clinics waiting list burden.

One such example is the musculoskeletal package of care programme initiated as part of the Canterbury Initiative. In late 2017 it was recognised that there was an unmet need for people with musculoskeletal conditions to receive outpatient physiotherapy within the CDHB hospitals. The evidence for primary care physiotherapy interventions being a cost effective way of reducing pressure on elective surgery waiting lists, as well as improving health outcomes for people is overwhelming. In Canterbury the Single Point of Referral (SPOR) system was introduced. This provided GPs with a simple system by which to refer patients into the physiotherapy department. Part of the SPOR process was the new criteria that people with musculoskeletal conditions/injuries could not be referred by GPs into hospital-based outpatient physiotherapy, but instead were to be referred to local primary care physiotherapy clinics. A package of care was introduced, providing funding for primary care physiotherapists to provide treatment to non-ACC patients, who have no other source of funding (WINZ Disability allowance, or Veteran Affairs for example), and have a Community Services Card. This has a set fee, which allows for approximately 4-6 treatments over a 6 month period. All physiotherapy clinics are able to opt-in to this package of care, with the main criteria being that the agreed outcome measures are gathered at assessment and discharge for each patient.

To date, this programme has been very popular, and the measured outcomes are positive. It is a way that people with need are able to receive treatment from local physiotherapists, in a very timely manner. In doing so, primary care has been able to ease the burden on the secondary care services, as well as enabling hospital-based physiotherapists to provide their more specialised treatment (multi-trauma for example).

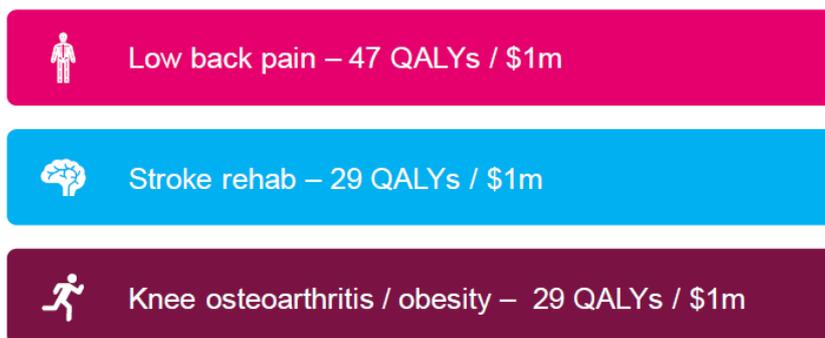
- Pilots such as the Mobility Action Programmes (Ministry of Health) and Managing Osteoarthritis (Otago University) have demonstrated the cost-effectiveness of physiotherapy care in long term conditions².

Better outcomes through increased access to physiotherapy

PNZ has commissioned work to look at the cost utility of physiotherapy services³, enabling us to demonstrate the cost effectiveness of this investment. Overall, the report shows good returns from increased physiotherapy in three key areas:

- Treatment of low back pain
- More intensive physiotherapy post stroke
- Primary care physiotherapy for osteoarthritis/obesity related non communicable diseases

Figure 2 Returns from increased physiotherapy



Source: NZIER

The evidence for using more primary health workforce in primary care has been ongoing since the adoption of the Primary Health Strategy in 2001⁴. Nineteen years later allied health remains under-represented in PHO governance structures. To make structural change to primary care there needs to be Allied Health voices at the table.

Telehealth has proved an effective method of treatment for some patients, in cases such as those living in rural areas, vulnerable clients and those requiring specialist physiotherapy advice. While it will never be the only method of physiotherapy treatment, COVID-19 has provided the opportunity for physiotherapists to integrate telehealth into their practice. To enable the benefits of telehealth to continue ongoing funding for telehealth is required for those unable to access face to face physiotherapy services. ACC has committed to extend the current acceptable remuneration rates through Alert Level 2, but at each stage of the COVID-19 response this decision is reviewed meaning no certainty of service.

In summary, COVID-19 has provided the Health and Disability sector with the opportunity to rebuild lives and to relook at the provision of health care as outlined in the Primary Care Strategy and

² Abbott JH, Wilson R, Pinto D, Chapple CM, Wright AA; MOA Trial team Incremental clinical effectiveness and cost effectiveness of providing supervised physiotherapy in addition to usual medical care in patients with osteoarthritis of the hip or knee: 2-year results of the MOA randomised controlled trial. Accessed from [ncbi.nlm.nih.gov/pubmed/30553932](https://pubmed.ncbi.nlm.nih.gov/30553932/).

³ NZIER 2020 Better outcomes through increased access to physiotherapy Report to PNZ.

⁴ The Primary Health Care Strategy 2001, Ministry of Health health.govt.nz/system/files/documents/publications/phcstrat_0.pdf.

discussed in this paper. By moving some Vote Health funding this will not only help to ensure that physiotherapy businesses remain viable and able to assist the rehabilitation of New Zealanders but also help to address longstanding and unnecessary health loss due to ineffective funding design.

Physiotherapy services lost their patients and revenue streams almost immediately

The COVID-19 virus was first reported in China in December 2019. The first New Zealand case of COVID-19 was recorded in late February. On March 11 the World Health Organisation (WHO) declared COVID-19 a pandemic. By 17 March international share markets were described as in freefall. The Alert Level system for New Zealand was released on 21 March. On Monday 23 March New Zealand was put into Alert Level 3 with 48 hours to prepare for Level 4. New Zealand has imposed one of the tightest global lockdowns in an attempt to eliminate the COVID-19 spread in this country.

For PNZ members the impacts were immediate. Physiotherapists employed by DHBs were re-deployed within the DHB as outpatient clinics and elective surgery ceased.

All community physiotherapy funding is based on a fee per service model with no Vote Health support. Most community based physiotherapy services closed immediately.

The rapid uptake and funding of telehealth services meant that physiotherapy businesses could continue to provide care to the community despite the lockdown. This continuity was vital to many people's physical and mental health. Telehealth has been part of physiotherapy practice for nearly a decade, but not used frequently prior to the lockdown.

Despite providing telehealth during Alert Levels 4 and 3, service numbers were considerably reduced and therefore income. While this varies, our members are reporting client numbers at between 15-35% of usual volumes; with income at 10-20% because of the reduced capacity for surcharges.

A number of PNZ members, including those from well-established practices, are concerned they will never re-open their businesses. This is expected to be more likely in more vulnerable communities where people will be less able to contribute to the cost of their care for some time. Reduction in the number of community physiotherapy businesses will reduce access to care and negatively affect New Zealander's health and workforce participation, compounding COVID-19 impacts.

Consequences of the impact on physiotherapy business include:

- Debt from the day to day business operational expenses, including staff wages and ongoing rental requirements outstripping income, putting the future of a number of practices at risk of failing. Wage subsidies have been accessed by a number of physiotherapy practice owners but there have still been a number of redundancies across the country. There is real concern that the wage subsidy will end well before normal business can resume.
- The ability to cover costs through surcharge has been greatly reduced. Many patients have been unable to afford any co-payment, and where a co-payment is possible it does not meet the full cost of a telehealth service which is on average longer than a face to face consultation.
- Significant reduction in initial patient consultations and follow up visits due to limitations in providing services via telehealth, patient uncertainty of availability of services and the measures required to manage infection control.

Experience from the aftermath of the Christchurch earthquakes suggests that people will delay unfunded primary care treatment when income is uncertain. Also patients impacted by cancelled elective surgery, including those awaiting spinal surgery, nerve root injections and many other conditions causing considerable pain and restricted functioning will take longer to rehabilitate. We are concerned about the downstream impact of worsening severity and chronicity of these problems which could mean more health resources being utilised or referrals into secondary care.

About Physiotherapy New Zealand

Physiotherapy New Zealand (PNZ) is the national membership organisation for physiotherapists and physiotherapy students, providing members with advocacy, education, information and services. With over 4,000 members we represent around 70% of all physiotherapists working in New Zealand. Physiotherapists work in a range of settings, with the largest groups being in private practice (58% of all physiotherapists holding an Annual Practising Certificate in 2019), and hospital and health service employees (26%).⁵

While the New Zealand ratio of physiotherapists to population for practising⁶ physiotherapists has been consistent at one physiotherapist for every 1,053 people and looks positive, the overall levels mask shortages of physiotherapists in key parts of New Zealand. Our rural and remote communities are more likely to experience a shortage of physiotherapists.

⁵ Physiotherapy Board of New Zealand Workforce Survey May 2019 reported in Annual Report accessed from: physioboard.org.nz/wp-content/uploads/2019/09/V6-Physio-Annual-Report-2019.pdf.