

# OSTEOPATHY AND ACC: BUILDING THE EVIDENCE BASE

*What the Data Tells Us and Why It Matters for the Future of Our Profession*

*Based on a member education webinar presented to Osteopaths New Zealand*  
Presented by researchers from the Economics of Osteopathy research programme, supported by  
ONZ

Osteopaths New Zealand | Nga Matanga Wheua o Aotearoa

## Introduction

How much do we really know about osteopathy's role within the New Zealand health system? The ACC has been funding osteopathic treatment since 1986 - nearly 40 years - yet until recently, the story of what osteopaths do, who they treat, and what their care costs and delivers has largely been told by ACC itself, not by our profession.

This resource is based on a member education webinar in which two researchers - an academic with a background in health economics, and a fellow researcher with experience in osteopathic practice - presented the early findings of the Economics of Osteopathy research programme. This programme, supported by Osteopaths New Zealand, is working to build an objective, data-driven evidence base for osteopathic practice in Aotearoa New Zealand.

The findings presented in this webinar are the beginning of what will be a multi-year research effort. They are important not just as statistics, but as a signal: the profession needs to understand its own data, tell its own story, and build its own evidence - because no one else will do it for us.

### Learning Objectives

After reviewing this resource, practitioners should be able to:

1. Understand the historical context of ACC funding for osteopathy and its significance for the profession
2. Recognise the key policy signals from ACC and the Ministry of Health regarding evidence requirements
3. Understand the findings of the national survey of New Zealand osteopaths regarding ACC engagement
4. Interpret key findings from ACC expenditure and claims data, and understand what they mean for the profession
5. Understand the research programme underway and its goals
6. Understand the risks of ACC funding dependency and the case for building an evidence base to diversify funding

## 1. The Context: A Profession at a Crossroads

### A Brief History of Osteopathy and ACC in New Zealand

Osteopathy in New Zealand has a history stretching back to approximately the 1920s and 1930s. For much of that time, the profession sat under the broad umbrella of complementary and alternative medicine. The first formal recognition of osteopathy by a funding body came in 1986, when ACC identified osteopathy as a viable treatment option for musculoskeletal injuries and began funding osteopathic treatment.

This was a pivotal moment. Regulation followed in the form of the Health Practitioners Competence Assurance (HPCA) Act 2003, which brought osteopathy into the formal allied health framework. As of 2023, there are 590 registered osteopaths in New Zealand - a figure that, when compared to the estimated 37 to 50 practitioners in 1983, represents approximately a 15-fold increase in 40 years.

### **The ACC Effect**

The correlation between the commencement of ACC funding and the growth of the osteopathic profession in New Zealand is striking. ACC funding has significantly improved accessibility to osteopathic care - removing a financial barrier that would otherwise limit many patients' ability to seek treatment. Whether the profession's growth has been driven primarily by ACC funding, or whether ACC funding has simply enabled a profession that would have grown anyway, is itself a question the research programme aims to explore.

One significant gap remains: osteopathy is still not offered through the public health system in New Zealand. There are no osteopaths employed in the hospital system. This means ACC remains the single most important institutional funder of osteopathic care in the country.

### **2023: A Year of Reckoning**

Two events in 2023 combined to send a clear signal to the osteopathic profession about what is needed to secure its future.

### **The ACC Evidence-Based Review**

ACC commissioned a review to explore the safety and effectiveness of osteopathic treatment. The review is a concise document, publicly available, and worth reading in full. Its two key recommendations for the profession were:

7. A need for better quality osteopathic research
8. A need for research focused on long-term outcomes, not just short-term outcomes

But perhaps more significant than the recommendations themselves was the ACC's own note accompanying the review: ACC stated it was assessing options for utilising the findings of the evidence-based review to improve clients' rehabilitation outcomes. This is a careful piece of language that carries a clear implication. ACC could, if it chose, use the review to selectively continue funding for conditions where osteopathy has demonstrated effectiveness - and reduce or withdraw funding for conditions where the evidence is thinner.

### **Read the ACC Review**

The 2023 ACC evidence-based review of osteopathy is publicly available and is not a lengthy document. Every practitioner should read it. It is available via the ACC website, and a link was included in the webinar presentation materials. A copy is available on the ONZ member portal.

### **The Ministry of Health Presentation**

At a conference organised by the Osteopathic Council of New Zealand, Dr Martin Chadwick presented an overview of the health system and funding landscape. His message to the profession was direct:

### **Two Key Messages from Dr Martin Chadwick**

1. Before osteopathy can explore funding opportunities within the public health system, the

profession must provide evidence for cost effectiveness. Why should osteopathy be funded within the health system?

2. It is not the responsibility of the Ministry of Health to provide this evidence. It is the profession's responsibility.

Combined, these two events constitute what the researchers described as 'the writing on the wall.' The evidence needs to exist. It needs to be generated by the profession. And it needs to be in a form and format that policymakers can access and use - whether that is a peer-reviewed journal article, a conference presentation, or a data-driven submission.

## 2. The National Survey: Who We Are and How We Work

### About the Survey

In response to these signals, ONZ commissioned a national cross-sectional survey of New Zealand osteopaths, designed to capture how the profession engages with ACC and what osteopaths themselves believe about ACC funding and their practice. The survey attracted 150 respondents - a strong response rate that gives the findings meaningful weight.

The survey was a starting point: a descriptive baseline from which more detailed research questions can be developed. As the researchers were clear to note, the survey does not provide final answers - it maps the landscape and identifies where further investigation is most needed.

### Who Responded

Characteristic	Finding
Total respondents	150 osteopaths
Gender	37% male, 60% female
Ethnicity	54% NZ European, 27% other European, 3% Asian, 2% Maori, 12% other
Average age of respondents	Approximately 45 years
Auckland-based	Approximately 33% of respondents
More than 20 years of experience	29% of respondents
Not treating any ACC patients	4 respondents - a finding the researchers noted as unexpected

### ACC Exposure in Clinical Practice

One of the most significant findings from the survey concerns the proportion of clinical caseloads that are ACC-funded. The data shows that:

- Approximately 67% of respondents reported that more than 50% of their clients have an ACC claim - meaning the majority of their clinical work is ACC-funded
- The average proportion of clients funded by ACC across all respondents was estimated at approximately 57%
- Early career practitioners (less than five years of experience) showed a significantly higher reliance on ACC funding, with the proportion exceeding 70% in some sub-groups
- Reliance on ACC funding decreases as experience grows, as practitioners build a private client base through reputation and word of mouth

### The Early Career Risk

The data reveals a particularly acute vulnerability for early career osteopaths. Starting out in practice, building a client base, and establishing a reputation takes time. In that window, ACC funding is not just important - it is often the primary mechanism by which a new practice becomes financially viable. Any significant change to ACC funding would disproportionately affect the next generation of practitioners entering the profession.

## Common Injury Diagnoses

Consistent with what most practitioners would expect, the most commonly reported ACC diagnoses were:

- Lower back pain - the most frequent by a significant margin
- Neck pain
- Upper back/thoracic pain

Concussion generated a notable number of open-text comments in the survey. Many respondents expressed frustration that osteopaths are not permitted to diagnose concussion, despite treating a significant number of patients with concussion-related presentations. This is an active area of advocacy with ACC, as discussed in the ACC32 resource in this series.

## Beliefs About ACC Funding

The survey also asked about practitioners' beliefs regarding ACC - an important dimension, because beliefs shape behaviour and advocacy.

Belief	Finding
Osteopathy adds value to ACC	Near-universal agreement - approximately 99% of respondents
The sustainability of the profession depends on ACC funding	Strong agreement across respondents
ACC has an obligation to fund osteopathy regardless of the evidence	Also strong agreement - a finding the researchers flagged as significant and potentially risky

The belief that ACC has an ongoing obligation to fund osteopathy - regardless of the evidence - is understandable given the historical relationship between the profession and the

funder. But as the researchers noted, ACC operates more like an insurance company than a social welfare agency. It can, and does, make decisions based on evidence, cost, and policy priorities. The assumption that funding will continue indefinitely is a risk the profession cannot afford to carry unchallenged.

## 3. The ACC Data: What the Numbers Tell Us

### About the ACC Dataset

The second component of the research programme involves an analysis of ACC expenditure and claims data. The researchers obtained aggregate transaction data from ACC covering a 10-year period and spanning the top 20 provider types funded by ACC.

This data does not yet include individual-level information - it is aggregate, which means it tells us trends and patterns across the profession, but cannot yet answer questions about individual patient journeys, treatment pathways, or clinical outcomes. Obtaining individual-level data (anonymised) is a primary goal of the ongoing research programme.

### Osteopathy's Position in the ACC Landscape

The payment count data for 2023 places osteopathy in clear context within the broader ACC-funded provider ecosystem:

#### Key Figure

In 2023, osteopaths received 124,013 ACC-funded payments - representing 13.1% of all payments made to the top 20 ACC provider types. This makes osteopathy one of the more significant allied health providers within the ACC system by transaction volume.

This figure matters for two reasons. First, it confirms that osteopathy is not a minor or marginal player within the ACC system - it is a substantial contributor. Second, it provides a baseline against which future trends can be measured.

### Growth Trends: A Story of Divergence

One of the most striking findings from the ACC data concerns the different growth trajectories of provider types since 2020.

The COVID-19 lockdowns of 2020 and 2021 caused a visible drop in funded payments across all provider types. What happened after that drop is where the divergence becomes significant:

- Physiotherapists and chiropractors: both peaked in 2019 and, post-pandemic, have remained below their pre-2020 trend line
- Osteopaths: reached their maximum payment count in 2023 - the highest point in the entire 10-year time series - and returned above their pre-2020 trend line
- Nurses and occupational therapists: showed rapid rates of growth, raising questions about potential substitution effects

#### What This Means

Osteopathy is growing, both in absolute terms and relative to some of its closest comparator provider types. This is an important story to be able to tell - but it needs to be told with data, not

just assertion. The research programme is doing the work to make that possible.

## Cost Trends

The aggregate expenditure data reveals a notable pattern:

- ACC expenditure on osteopathic treatment has been increasing at an average of approximately 11% per year
- The number of new claims has been increasing at approximately 2.7 to 3% per year
- This gap between cost growth and claim count growth requires explanation - and the research programme is designed to investigate it

Possible explanations include: an increase in the average cost per treatment (driven by price increases or longer treatment durations per claim), an increase in the complexity of cases being treated, or shifts in the mix of treatment types. Without individual-level data, these questions cannot yet be answered definitively.

One important contextual note: the data has not yet been fully adjusted for inflation. When comparing year-on-year expenditure growth, the real (inflation-adjusted) growth rate will be lower than the nominal figures suggest. The researchers are working to apply appropriate inflation adjustments in their forthcoming manuscript.

## The Ratio of New to Active Claims

Another finding from the data concerns the changing ratio of new claims to active claims - where an 'active claim' includes patients who were injured in a previous year but are still receiving ACC-funded treatment in the current year.

The data shows this ratio has been declining, suggesting that patients are staying in the ACC system for longer. Whether this is a reflection of more complex presentations, better access to ongoing care, or something else is not yet clear. It is, however, the kind of trend that ACC will be monitoring.

## Thoracic Spine: A Case Study

As a focused example within the broader dataset, the researchers examined thoracic spine injury data - a condition commonly treated by osteopaths. The thoracic spine case study was used as a methodological test case: could the researchers use ACC data to describe the cost of care, identify which provider types were providing treatment, and place osteopaths within that competitive landscape?

The answer was yes - and this methodology is now being applied more broadly as the research programme expands. The thoracic spine data provided early confirmation that the ACC dataset is a viable and rich source for answering cost-effectiveness questions at the condition level.

## Patient Loyalty: A Telling Statistic

An older piece of ACC data - from approximately 2013 to 2014 - offered an intriguing finding. ACC used to produce a measure they informally called 'client promiscuity': the rate at which patients moved between provider types within a single claim or injury episode.

### Osteopaths Had the Lowest Promiscuity Score

Among all provider types analysed, osteopaths had the lowest rate of patient movement away from their treating practitioner. In other words, once a patient started seeing an osteopath, they were least likely to switch to a different provider type. This can be interpreted as a measure of patient satisfaction and loyalty - consumers voting with their feet.

This is a powerful data point for the profession. It suggests that patients who experience osteopathic care tend to stay with it. The research programme intends to request this data again from ACC to see whether the pattern has persisted.

## 4. The Research Programme: What Is Being Built

### The Portfolio of Evidence

The Economics of Osteopathy research programme is not a single study - it is a multi-pronged, multi-year effort to build a portfolio of evidence about osteopathy in New Zealand. The components include:

- The national survey (completed): providing a descriptive baseline of how the profession engages with ACC, common diagnoses, beliefs, and practice profiles
- Quantitative follow-up research (in progress): building on the survey data with more detailed statistical analysis
- ACC aggregate data analysis (in progress): the 10-year expenditure and claims data analysis described in this resource
- A systematic review of international cost-effectiveness evidence (in progress): reviewing what is already known from studies in Sweden, Australia, the United States, and elsewhere, and mapping that evidence to the New Zealand context
- Individual-level data access (seeking): the researchers are in active discussion with ACC about obtaining anonymised individual-level data, which would allow much more precise analysis of patient journeys, cross-provider migration, treatment duration, and outcomes
- Practice-Based Research Network (PBRN): a long-term ambition to create a network of osteopathic practices contributing anonymised clinical data to a shared research platform

### Why Individual-Level Data Matters

The difference between aggregate data and individual-level data is significant for research purposes. With individual-level data (anonymised), the researchers could answer questions such as:

- How many treatments does a typical osteopathic patient receive per claim?
- What proportion of patients complete treatment before their maximum funding is reached?

- Where do osteopathic patients come from? Do they come directly, or after seeing other provider types first?
- What happens to patients who start with a physio and then switch to an osteopath? Do they resolve faster? Do they cost less?
- What is the 'migration rate' from other provider types into osteopathic care?

These questions go to the heart of the cost-effectiveness case for osteopathy. If osteopathic patients resolve faster, require fewer sessions, and are less likely to re-enter the ACC system, that is a powerful economic argument - but it requires individual-level data to demonstrate.

### **The Ideal: A Randomised Controlled Trial**

The gold standard for establishing cost-effectiveness is a properly designed randomised controlled trial (RCT) - one that takes a group of patients with a given injury type, randomly allocates them to different provider types (physio, osteopath, chiropractor, GP), applies consistent outcome measures, and then compares both clinical effectiveness and cost.

The researchers were candid: such a trial will probably never be fully funded or coordinated at the national level. But articulating what the gold standard would look like is valuable, because it clarifies what kinds of evidence come closest to it. Even standardised before-and-after outcome measures - a simple pain scale, a functional assessment, a satisfaction score - collected consistently across a sample of practices, would constitute meaningful evidence.

#### **What You Can Do**

Every osteopath who uses outcome measures in their practice - pain scales, functional assessments, patient-reported outcome measures - is contributing to the foundations of an evidence base. Even informal, consistent data collection creates the raw material for research. If you are interested in being part of a practice-based research network or in contributing to the research programme, contact the ONZ office at [info@osteopaths.nz](mailto:info@osteopaths.nz).

## **5. The Risk: What Happens If We Don't Build the Evidence**

### **The Funding Dependency Problem**

More than half of the revenue of the New Zealand osteopathic profession appears to come from ACC. For early career practitioners, the figure is even higher. This level of concentration in a single funding source is, from an economic risk perspective, a significant vulnerability.

The researchers drew a deliberate comparison with Queenstown's heavy reliance on tourism revenue - a sector that, as COVID-19 demonstrated, can disappear very quickly. A profession whose revenue is 50 to 70% dependent on a single funder is exposed to policy risk in a way that a more diversified profession is not.

### **The Risk Scenario**

ACC could, using the findings of the 2023 evidence review, choose to selectively adjust funding for conditions where the evidence for osteopathy is weaker. This is not a stated intention, and the researchers were clear they are not predicting it. But it is a credible scenario, and one that the profession should be preparing for - not by assuming it won't happen, but by building the evidence base that would make such a decision much harder to justify.

### **The Diversification Imperative**

The longer-term goal of the research programme is not just to defend ACC funding - it is to position osteopathy to access other funding streams. The most significant of these would be inclusion within the public health system, funded through the Ministry of Health.

As Dr Martin Chadwick's message made clear, this will not happen without evidence of cost-effectiveness. But if the evidence can be built - and the researchers believe it can - osteopathy would be well positioned to make the case for inclusion in primary health care funding, community health services, and potentially the hospital system.

In the near term, diversification might also mean:

- Stronger relationships with Southern Cross and other private health insurers
- Development of self-pay and wellness service offerings that are not dependent on injury claims
- Integration into workplace health and employee assistance programmes
- Positioning within community and primary health care teams

### **Evidence-Based Medicine as a Political Landscape**

One of the more nuanced points made by the research economist in the webinar concerned the politicised nature of evidence-based medicine as a policy tool. Evidence-based medicine is the language policymakers use to justify funding decisions - but the process of deciding which evidence counts, who produces it, and how it is interpreted is not purely objective.

The profession's best protection in this environment is not to argue against the requirement for evidence - it is to produce high-quality, objective evidence and ensure it is in a form that policymakers can access and use. Peer-reviewed publications, conference presentations, and well-structured data submissions to ACC and the Ministry of Health are the currency of this conversation.

### **The Long Game**

The researchers were clear that this is a multi-year programme. There are no quick wins. But the cumulative effect of consistently building and publishing high-quality evidence - even if any single study is partial and incomplete - is a profession that enters every policy conversation from a position of knowledge and credibility, rather than from a position of assumption and hope.

## 6. What This Means for Individual Practitioners

### You Are Part of the Evidence Base

Research programmes of this kind do not succeed in isolation from the profession they study. Every practitioner contributes - directly or indirectly - to the evidence base simply by practising, by recording clinical data, and by engaging with ONZ research initiatives.

More concretely, there are several ways individual practitioners can support the research programme:

9. Participate in future surveys. The national survey that underpins this research attracted 150 respondents because members engaged. Future surveys will need the same.
10. Use outcome measures. Even a simple, consistent pain scale recorded at initial presentation and at discharge provides the kind of before-and-after data that, at scale, constitutes evidence.
11. Engage with the PBRN when it is established. A practice-based research network is only as valuable as the practices that contribute to it.
12. Share data. If you have data about your practice - workforce information, treatment volumes, patient demographics - consider whether it could contribute to the research programme.
13. Stay informed. The research programme will produce publications, conference presentations, and member communications. Engage with these and share them with colleagues.

### Understanding Your Own ACC Profile

One practical implication of this research for individual practitioners is the value of understanding your own ACC exposure. Key questions worth reflecting on:

- What proportion of your current caseload is ACC-funded?
- How would your practice be affected by a 10%, 20%, or 30% reduction in ACC funding?
- Are you actively developing non-ACC revenue streams - private clients, wellness services, corporate health?
- Do you use outcome measures that could contribute to research and also strengthen your own ACC32 submissions?

The data from the national survey suggests that many practitioners - particularly early career osteopaths - have not fully considered their ACC dependency as a business risk. The research programme is not designed to alarm, but it does invite honest reflection.

### The Concussion and Wrist/TMJ Diagnosis Gap

The survey highlighted specific areas of frustration among practitioners - conditions they treat regularly but for which they cannot formally record a diagnosis:

- Concussion: osteopaths treat significant numbers of concussion patients but cannot diagnose concussion under ACC. This is an active advocacy issue.
- Wrist injuries: similar diagnostic limitations apply to certain wrist injury categories.

- TMJ (temporomandibular joint): another area where osteopaths provide treatment but face diagnostic coding restrictions.

These frustrations are not just clinical inconveniences - they represent data gaps. If osteopaths are treating concussion but cannot code it as such, the ACC data will not reflect the full scope of osteopathic contribution to concussion management. Building the case for diagnostic expansion requires documenting these gaps clearly and consistently, which is part of what the research programme aims to do.

## 7. Summary and Next Steps

### What We Know

- Osteopathy has been ACC-funded since 1986 and the profession has grown approximately 15-fold in 40 years
- More than half of the revenue of the New Zealand osteopathic profession comes from ACC
- 67% of surveyed osteopaths reported that more than 50% of their clients have an ACC claim
- Early career practitioners are significantly more dependent on ACC funding
- In 2023, osteopaths received 124,013 ACC-funded payments - 13.1% of all payments across the top 20 provider types
- Osteopaths are the only major provider type that reached a new maximum payment count in 2023 - physiotherapists and chiropractors are both below their pre-2020 trend lines
- ACC expenditure on osteopathy has grown at approximately 11% per year - faster than claim count growth
- Osteopaths historically had the lowest 'client promiscuity' score of any provider type - a measure of patient loyalty and satisfaction

### What We Need

- High-quality, peer-reviewed research on the clinical effectiveness and cost-effectiveness of osteopathy
- Individual-level ACC data to answer patient journey, cross-provider migration, and outcome questions
- Standardised outcome measure collection across the profession
- A practice-based research network
- A diversified funding base, with the public health system as the long-term goal

### How to Engage

Action	Contact / Resource
Participate in future research surveys	Watch for ONZ member communications and respond when surveys are open
Get involved in the research programme	Contact <a href="mailto:info@osteopathsnz.co.nz">info@osteopathsnz.co.nz</a> to express interest

Read the 2023 ACC evidence review	Available on the ACC website and linked from the ONZ member portal
Share workforce or practice data	Contact ONZ to discuss how your data might contribute
Start collecting outcome measures	Discuss with your professional network which measures best suit your practice

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*This resource was compiled by Osteopaths New Zealand based on a member education webinar presenting findings from the Economics of Osteopathy research programme. Data cited reflects findings available at the time of the webinar and may be updated as the research programme progresses. Findings are preliminary and should not be cited as final published results without reference to the researchers' forthcoming publications. This document does not constitute financial or investment advice.*

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