

## **Position Paper on sales commissions and other sales-based incentives**

### *ACAud's position*

1. *ACAud* supports employers in finding alternatives to sales commissions and other sales-based incentives to reward good clinical practice and will work together with businesses and Government wherever possible to make this happen.
2. No *ACAud* member should be financially disadvantaged due to the elimination of sales commissions and other sales-based incentives in the workplace.
3. *ACAud* encourages anyone who has concerns about unethical behaviour related to the sale of hearing aids by *ACAud* members to contact *ACAud* and the Australian Competition and Consumer Commission (ACCC).

### Rationale

The Australian Competition and Consumer Commission (ACCC) stated it was “concerned about sales-based remuneration arrangements and performance frameworks, which create incentives for clinicians (audiologists and audiometrists) to supply hearing aids that are unnecessary or more expensive than a consumer needs.” in its report [Issues around the sale of hearing aids: Consumer and clinician perspectives](#) published in March 2017.

*ACAud* recognises that sales commissions and other sales-based incentives do not necessarily result in unethical practice by *ACAud* members. However, the use of sales commissions and other sales-based incentives may lead clinicians to make decisions that are questionable and may, in fact, be unethical. *ACAud* members are bound by a [Code of Conduct](#) which includes Standard 5.2 “Members must make recommendations to clients based on clinical assessment and the client’s needs, not on the basis of financial gain on the part of the member”. If an *ACAud* member is concerned that their employer is pressuring them to behave in a way which may result in a breach of the Code of Conduct, they should contact *ACAud* and/or seek legal advice.

*ACAud* represents individual practitioners not businesses and can therefore not place restrictions on how companies conduct their business. *ACAud* supports companies that employ *ACAud* members in looking at alternatives to sales commissions and other sales-based incentives to reward good clinical practice. As a starting point, *ACAud* refers to the American Academy of Audiology’s [Advisory: Hearing Aid Commissions](#) which states that “Employee productivity is and should be measured in a variety of ways. Components of productivity (with which to determine employee compensation) may include the number of patients served, outcome measures that indicate that the patient’s needs were met, amount billed or collected for evaluations and follow-up, number of hearing aids prescribed (that can be linked to outcome measures), meeting employer goals such as team work or attitude, and others. It is recommended that incentive pay include multiple components of productivity and not be limited solely to the number of hearing aids fit, number of “high end” hearing aids fit, or the amount of revenue generated to the practice or the facility.”.

## About ACAud

ACAud's members are professional practitioners (both audiologists and audiometrists) who provide hearing care throughout Australia. The aim of ACAud is to promote and develop the science and practice of hearing care through the education and support of its members.

The objectives of ACAud are to:

- Be effective as an organisation by offering leadership and excellence in hearing care
- Support members in the provision of optimal hearing care to their clients
- Establish and evaluate standards of clinical competency, ethics and codes of practice for members
- Ensure members have appropriate and continuing educational opportunities
- Conduct professional development events
- Promote research in the field of audiology and hearing care
- Liaise with similar organisations
- Promote public awareness of audiology and community support for hearing care

## References

American Academy of Audiology 2017, Advisory: Hearing Aid Commissions.

<http://www.audiology.org/about-us/membership/ethics/advisory-opinion-hearing-aid-commissions>

Australian Competition and Consumer Commission 2017, *Issues around the sale of hearing aids: Consumer and clinician perspectives*. <https://www.accc.gov.au/publications/issues-around-the-sale-of-hearing-aids>

Australian College of Audiology 2016. *Code of conduct*. <http://www.acaud.com.au/about-us/code-of-conduct>

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