

4 September 2020

Health outcomes framework consultation
c\ - Dr Petrina Casey
Director, Health Policy, Prevention & Supervision
State Insurance Regulatory Authority (SIRA)
GPO Box 2677
SYDNEY NSW 2001

Via Email: consultation@sira.nsw.gov.au

Dear Dr Casey,

Health outcomes framework for the NSW workers compensation and motor accident injury/compulsory third party schemes consultation

Thank you for the opportunity to respond to SIRA's consultation on the Health Outcomes Framework ('the Framework'). We commend this initiative and welcome the opportunity to participate in its development as a provider of CTP insurance in New South Wales and a Scheme Agent with icare in Workers Compensation. We look forward to collaborating with SIRA and scheme participants to develop the Framework further.

The discussion paper questions are addressed below.

Question 1: How can the health outcomes framework be most effectively used to improve health outcomes and the value of healthcare expenditure?

The Framework can be used most effectively to improve personal injury claims management, clinical experience, transparency of care, and health outcomes of similar injuries across CTP and workers compensation. The Framework will enable the whole industry to 'speak a common language' and direct healthcare spend on evidence based individualised treatment.

We agree that improved health outcomes are achievable through 'implementation metrics' and domains. Our recommendation would be the adoption of a Patient-Reported Outcome Measures (PROMs) program. PROMs provide a simple overview of patient health status through targeted questions on physical, mental and social wellbeing. PROMs can be embedded into a case manager's day-to-day tasks, providing a standardised method of tracking and monitoring health outcomes. This can be extended to providers to standardise measurement of patient progress.

Promoting the efficiency of healthcare spend can be achieved through a value-based care (VBC) framework supported by outcome-driven models such as payment bundling. A Framework that supports these models should govern the relationships between the provider (health professionals), the payer (insurers), and patients (claimants). The Framework will guide expectations of returning injured workers and road-users to their pre-injury capacity without limiting the treatment episode.

The Framework will benefit from clear alignment to the intention of legislation for NSW workers compensation and CTP. This is important to concentrate the scope of the Framework, limit the potential for mission-creep, and legitimise the Framework's proposed changes to the schemes' participants. Not all participants will have capacity to meet the Framework's initiatives' timelines, so it's important the Framework is as accessible as possible to as many possible.

Question 2: (For scheme participants) Is the outcomes framework useful to you/your organisation in clarifying the vision and direction for healthcare in the WC and CTP schemes?

Suncorp promotes a positive claims culture that is transparent, efficient and customer-centric in our CTP and workers compensation claims teams. We recognise the Framework as an opportunity to enhance the way the Suncorp and the industry in NSW operates and meet our claimants' needs and expectations when recovering from injury.

Suncorp's business is currently undertaking a value-based care program focussing on implementation metrics (PROMs) as well as evaluating value-based care payment models in other jurisdictions. The Framework endorses a similar strategy that our national personal injury business has adopted.

To ensure the Framework maintains its usefulness for participants in NSW it's important that it's compared against the legislation and a considered cost-benefit analysis undertaken of the requirements it will impose. For instance, Suncorp regularly engages small physiotherapy practices that are highly skilled at delivering health outcomes for their patients but may not have the capacity to afford IT changes to digitally collect more nuanced information regarding their patient's health outcomes. It's important that the Framework does not inadvertently disadvantage these smaller providers.

Nonetheless, the Framework is an opportunity to set higher standards for delivery of Rehabilitation Provider case management by reducing the variability in the quality of services – an issue in CTP which has no mandated service standards. CTP insurers, who currently manage this at the local level, would benefit from being able to acknowledge providers that are more skilled in case management and deliver the best patient outcomes (assessed on parameters such as RTW, timely physical upgrades, return to activities). An accompanying payment model could be applied reflective of performance.

Question 3: (For scheme participants) Will the outcomes framework influence your approach to healthcare in WC and/or CTP? And if so, when and how?

The Framework is an opportunity to establish a 'common language' in health outcomes and value-based care across the NSW industry. Suncorp already has a strong focus on positive health outcomes and claims management, and the Framework will serve to align the providers and support functions of CTP and workers compensation case management more efficiently.

Across NSW schemes, the Framework will be an opportunity for collaboration between Suncorp, SIRA, and scheme participants to work together to share effective models to realise the Framework's vision, specifically:

- 1) **Better understand defined outcomes and measurement standards:** The Framework will help the industry to settle on clear definitions for patient-outcomes and agree upon standard protocols for measuring performance and eliminate variations of safety and quality. We believe this will trigger significant and practical discussions between industry stakeholders as the Framework progresses.
- 2) **Adopt and embrace open data standards:** Through the use of interoperable and secure data platforms for high impact and scalable informatics will encourage further innovation between Suncorp and providers (and potentially third-party clinical researchers) on claimant outcomes. The introduction of public reporting of provider performance will enable better assessment of provider services and increase provider accountability to the benefit of patients. Injured road users will be able to identify better providers who deliver higher-quality outcomes (including recovery at work).
- 3) **Support and engage in payment reform:** There is an opportunity to align the Framework to funding models under value-based payments outlined in Horizon One. To drive the Framework and the respective Horizons, Suncorp welcomes the opportunity to collaborate with providers on payment models that incentivise better outcomes.
- 4) **Use data to reduce unfavourable outcomes:** We expect the introduction of metrics for mandatory collection of certain high-volume and high-cost injuries (e.g. musculoskeletal injuries) will reduce the likelihood of secondary injury presentations. Metrics such as PROMs will enable Suncorp's claims teams

and scheme participants to monitor health and wellness during the episode of care and will be able to act faster upon unfavourable outcomes.

Question 4: What can WC and CTP scheme participants (insurers, health practitioners, claimants, employers) do to help advance the vision of value-based care in the schemes?

To help advance the Framework's vision, participants should:

- 1) **Workshop** - Working collaboratively with SIRA, insurers and participants can meet through facilitated workshops and further consultation to improve value-based care models and PROMs frameworks.
- 2) **Pilot** - Based on region or treatment type. Suncorp would welcome the opportunity to work with professional bodies who align to the Framework's philosophy, supported by SIRA.
- 3) **Test and Learn** - Implementation of the Framework is likely to take several iterations and different models could be tried to see which ones meet the legislation's and Framework's intent. Adoption of models and elements of the framework should reflect a robust cost-benefit analysis of each section.
- 4) **Seek Partners** - Insurers and other participants should work collaboratively together to seek a mutually agreeable implementation of the Framework.

Question 5: Where are there areas where you believe SIRA should focus its implementation efforts on promoting value-based care best?

We agree with SIRA that value-based care is the best approach for the claimant receiving high standards of care that is both evidence-based and person-centric. SIRA could focus on the following activities:

- 1) **Determine which outcomes the scheme will focus on:** Initially, SIRA should nominate defined areas of impact to measure the effectiveness of the Framework's implementation. This could be high-incidence injuries such as musculoskeletal or whiplash. This will give participants the change to refine the PROMs model before extending to other injuries or cohorts of interest.
- 2) **Design for value-based payments:** SIRA should engage with insurers to design the appropriate value-based payment model defining treatment episodes and the costs associated with treatments. Priority should be given to the 'high volume low complexity' claims for value-based payment models where treatment requirements are more predictable.
- 3) **Organisational change:** SIRA should not underestimate the extensive change management that will be required for scheme participants to introduce the Framework. Against the backdrop of COVID-19 and the impact it has had on health delivery, the change management process will be more complex than normal. An open dialogue and safe environment for scheme participants to discuss potential change processes and practices will promote a test and learn approach, which will ultimately drive a better model.
- 4) **Consumer engagement:** SIRA support of value-based care through communicating the new approach to end-users of the CTP and workers compensation schemes will help its adoption. An informed end-user will enable the value-based care models and providing transparency to claimants and their providers. Communicating the Framework and its health philosophy should engender greater trust between the injured and the participants managing the episode of care.
- 5) **IT provider partnerships:** An agnostic approach to the software platforms and technologies for the value-based care model should lower the barriers of entry for participants. Once data-standards are defined, the participants should be free to seek technologies that meet these objectives.
- 6) **Ongoing evaluation** Ongoing research and evaluation programs must evaluate the implementation of a value-based care initiative.

Question 6: Do you have any comments on the implementation plan?

Timeframes

Suncorp believes that the Framework's timeframes against the three horizons are too ambitious. The Framework proposes a significant change to both workers compensation and CTP, and scheme participants will need time to adapt to the changes. Ideally, Horizon 1 should be at least 12 months, Horizon 2 should be 12-24 months and Horizon 3 should be 2-5 years.

COVID-19

The current and future impact of the COVID-19 pandemic has impacted the attendance patterns for injured people accessing health services. The provision of care, due to COVID-19 restrictions, is very different now with more telehealth and an impact on outcomes such as RTW. Consideration is needed in the implementation of the Framework to both the timeframe and the customer experience in light of the dynamic COVID-19 situation.

Industry Engagement

We would welcome the opportunity for further discussion, facilitated by SIRA, with other stakeholders about the design and adoption of the value-based care model. The organic development of value-based care, with contributions from stakeholders, will enable a better outcome and increase the adoption of both PROMs and value-based care payment models. The major challenge of integrating the health outcomes framework for both schemes is reconciling the needs of all participating stakeholders and schemes at each level.

Thank you for the opportunity to contribute to this consultation. If you have any questions, or would like to discuss any issue further, please feel free to contact Brendan Bolton, Manager – Personal Injury Policy & Regulation

Regards,

Matt Kayrooz
Head of CTP
Suncorp Group