

**SUBMISSION (To be submitted by COB 05 July 2019)**

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do *Please tick one*  
 do not

wish to have our submission published.

## 1.0 PREMIUMS

1.1 Please rate your experience with workers compensation premiums issued by the Nominal Insurer (icare) from 5 (excellent) to 1 (poor)

1 (Poor)      2 (Fair)      3 (Neutral)      4 (Good)      5 (Excellent)  
                       

1.2 What has been your experience with workers compensation premiums issued by the Nominal Insurer (icare)?

Poor

1.3 What should the Nominal Insurer (icare) be doing *more* of?

Attempting to reduce the cost to employers

Scrutinising claims

1.4 What should the Nominal Insurer (icare) be doing *less* of?

Red Tape

1.5 Are there any improvements you would like to suggest regarding premiums?

Premiums are based on salaries, not risk. Employers pay equal premium for someone sitting on a comfortable ergonomically designed chair in an air conditioned office using a stapler as they pay for a factory hand working in an open factory alongside other employees all operating potentially dangerous tools and machinery and vehicles. The 'office work/manager' with minimal physical risk is most likely being paid at a much higher rate than the person on the floor, therefore employers premiums are disproportionate to risk. Rates of premium charges need to include an element of risk involved in the work being performed rather than based on annual payroll.

## 2.0 CLAIMS MANAGEMENT

2.1 Please rate your experience with the management of claims by the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO from 5 (excellent) to 1 (poor)

1 (Poor)

2 (Fair)

3 (Neutral)

4 (Good)

5 (Excellent)

**X**

2.2 What has been your experience with the management of claims by the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO?

Straight forward legitimate physical injury based claims, mostly OK.

Disputed physical injury claims, dreadful.

Disputed psychological injury claims, **absolutely abysmal!!!!!!**

Extreme poor management and lack of assistance to the employer.

See below for a detailed account of how our latest psychological injury claim was mishandled.

2.3 From your perspective, what impact has icare's new claims management processes had on return to work outcomes and the customer experience?

1: Return to work for physical injuries: light duties totally inapplicable when the employee is basically illiterate and is employed as a manual labourer/factory hand. We end up paying someone to do nothing because there are no such duties as 'light duties' on a factory floor for someone with limited mental or trade abilities.

2: Please read the below report on the mismanagement of a [REDACTED] claim by an employee [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

## **2.4 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing *more* of?**

Pursuing vexatious claims: the Insurer states it is a Non Blame Insurer ... therefore anyone who makes any non-physical injury claim just has to 'perceive' they are being bullied at work to be accepted as a Workers Comp claim.

Our most recent claim should never have gone as far as it did but the insurer (EML) could not organise an investigator to come to the workplace until after specific deadlines had been passed, therefore the claim was accepted when it should have been more deeply scrutinised prior to acceptance.

Keeping a register of which doctors are signing Certificates of Incapacity and scrutinising doctors who seem to be signing more certificates than would be the average, especially for claims such as work induced anxiety and depression

Keeping a national register of employees who have a history of claiming workers compensation claims and setting up alarm bells when the same person has more than one claim with a number of different employers. There are persons out there who have become extremely adapt at playing the system, and as an employer we have no way of knowing that someone we take on in good faith has a history of claiming workers compensation.

## **2.5 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing *less* of?**

Stalling when the employer is attempting to understand what is going on with a claim the employer is disputing.

Not responding to requests for information regarding any claim.

Blaming the employer for delays which have resulted from the insurer not doing their job within specified timeframes.

Accepting Certificates of Incapacity without scrutiny: accepting without question that what an employee tells the doctor is true or factual.

Accepting Certificates of Incapacity from a doctor other than the employees' long-term/usual medical practitioner (who probably know the person and would know if the claim was questionable).

## **2.6 Are there any improvements you would like to suggest regarding claims management?**

Providing accurate advice to an employer who is questioning the validity of a claim: eg, wrongly telling the HR rep to pay the employee sick leave (even though they have supplied a Certificate of Incapacity but whose claim has not yet been accepted by the insurer) when they should have been directed to not pay as sick leave but as usual hours which would be reimbursed to the employer as workers compensation even if the claim did not proceed). Misinformation creates massive problems when attempting to maintain accurate payroll records, especially when a claim goes over the end of Financial Year.

TALK TO THE EMPLOYER IMMEDIATELY A CLAIM IS LODGED ... this way the insurer will be able to determine IMMEDIATELY whether there is going to be any dispute from the employer. Ticking a box doesn't seem to work. The insurer needs to physically talk to the employer to determine how the claim is going to progress from day 1, then allocate the claim to either persons who are adept at dealing with disputed claims, or hand the claim to persons who know how to deal effectively with straight forward claims. Having someone to assist the employer for a change. It's time to stop the minority of employees who are expert at rorting the system blind because there is no co-ordinated scrutiny. Most employers want to do the right thing, but are treated like the enemy if they dare to question a claim.

## **3.0 OTHER QUESTIONS**

### **3.1 Are there any other matters or areas you would like to comment on?**

Employers cannot terminate an employee on Workers Compensation for at least 6 months. An employee who is deemed never to be returning to the place of employment continues to accumulate holiday pay, long service leave, leave notice entitlements for a minimum of 6 months and longer should the employee refuse to resign and then decides to dispute termination by the employer on grounds of medical incapacity by claiming unfair dismissal.

### **3.2 Are there any improvements you would like to suggest in these areas?**

There needs to be a complete overhaul of employer responsibility to persons who have been accepted by the insurer.

### **3.3 Do you have any other issues or ideas about the Nominal Insurer (icare) that you want to share?**

We need an Employer Help Line through which employers can be provided with accurate, consistent, AND BINDING advice regarding claims in general and specific claims. Such a Helpline would need to involve Fairwork and

which would need to include accurate and binding advice regarding the legalities involved in manoeuvring through complex disputed claims. Either that or icare reimburse the employer with the costs of external legal advice when the insurer has provided incorrect or misleading advice.

**RE 2.2: What has been your experience with the management of claims by the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO?**

**This is a personal report on a present situation:**

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Suggestions:

- We would suggest that an employee on Workers Compensation and the person who fills in whilst the injured employee is away should be counted as 1 employee, not 2. That would make a difference.
- We would also suggest that an employee on Workers Compensation who is known to not be returning to the workplace for at least 6 months and will be terminated at the conclusion of that time should have their notice period included within the 6 month period, as it is known in advance what their termination date will be and they are already being compensated financially for that period.
- Another idea could be that an employee on Workers Compensation is medically declared fit for work but who has been signed off as being medically unable to return to the workplace (for whatever reason) be required to resign their employment when it has been established that they are no longer medically incapacitated from working elsewhere. That is, they stay on Workers Compensation payments whilst they are retrained or alternative employment is found through Workers Compensation, but they resign from the time they are able to work elsewhere and are therefore no longer the responsibility of the employer to whom they cannot return.



At one stage during this claim we were informed by EML

*“Our job is not to prove people are in the wrong, or if people are lying.”*

I therefore surmise that it is possible for any employee to go to a doctor and falsely claim they are [REDACTED] and the employee will be automatically put on workers compensation for as long as they are able to [REDACTED]

And if the outside investigator is extremely busy and not able to get to the place of employment until he has a free day sometime in the distant future then the payments continue.

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