

## Standards of practice: expectations for insurer claims administration and conduct (February 2021)

Content	Key changes	Comments
Key changes		
Glossary	<p>Terms for 'WIRO' and 'The Commission' have been amended as follows:</p> <ul style="list-style-type: none"> <li>• IRO: Independent Review Office (replaces the Workers Compensation Independent Review Office from 1 March 2021)</li> <li>• The Commission: Personal Injury Commission of New South Wales (replaces the Workers Compensation Commission from 1 March 2021).</li> </ul>	<p>The <i>Personal Injury Commission Act 2020</i> will establish the Personal Injury Commission (PIC) with effect from 1 March 2021. The PIC will simplify the dispute resolution system for injured road users and workers who make a compensation claim.</p> <p>The Act also introduces changes to the role, functions and operations of the Workers Compensation Independent Review Office (WIRO), with schedule 5 to the Act providing for a new Independent Review Officer (IRO).</p>
About the Standards: Context	<ul style="list-style-type: none"> <li>• Amendments to introductory text.</li> </ul>	Minor changes to streamline and update the content.
About the Standards: Purpose	<ul style="list-style-type: none"> <li>• New paragraph included to highlight that the Standards are designed to be flexible and responsive to the changing regulatory landscape.</li> <li>• Content about the development of the COVID-19 Standard has been moved to 'Purpose' (previously under commencement).</li> <li>• New content included to explain the development of the new Standard of practice 33: Managing psychological injury claims.</li> </ul>	The changes are aligned to the intent of the Standards to be flexible and responsive to new and or emerging issues, including managing claims during the COVID-19 pandemic and managing psychological injury claims.
About the Standards: Application	<ul style="list-style-type: none"> <li>• Minor change to reflect that the Standards do not apply to 'icare Dust Diseases Care', rather than 'the Workers Compensation (Dust Diseases) Authority (Dust Diseases Care).</li> </ul>	
About the Standards: Commencement	<ul style="list-style-type: none"> <li>• Changes clarify commencement dates.</li> </ul>	<ul style="list-style-type: none"> <li>• The changes make clear the commencement dates for the Standards in general (from 1 January 2019), as well as Standard 32 (from 26 June 2020) and Standard 33 (from 1 March 2021).</li> </ul>
Standard of practice principles	<ul style="list-style-type: none"> <li>• Removed 'It is expected that insurers will adhere to these Standard of practice principles from 1 January 2019'.</li> <li>• Minor amendment to principle for Standard 23 and new principle added for Standard 33.</li> </ul>	<ul style="list-style-type: none"> <li>• SIRAs expectation that insurers comply with the Standards of practice is outlined under 'Application' and 'Commencement.'</li> </ul>

Content	Key changes	Comments
General	<ul style="list-style-type: none"> <li>Minor formatting changes throughout the document for each Standard.</li> </ul>	<ul style="list-style-type: none"> <li>Minor changes to the way individual Standards are presented to make it easier to read.</li> </ul>
Standard 3: Initial liability decisions – general, provisional, reasonable excuse or full liability	<ul style="list-style-type: none"> <li>Minor change to the expectations in S3.4 to reflect changes from WIRO to IRO, and Workers Compensation Commission to Commission.</li> </ul>	<ul style="list-style-type: none"> <li>Aligns to establishment of the Personal Injury Commission and Independent Review Office with effect from 1 March 2021.</li> </ul>
Standard 13: Additional or consequential medical conditions	<ul style="list-style-type: none"> <li>No changes have been made to the Principle.</li> <li>Changes have been made to streamline the expectations and benchmarks.</li> </ul>	<ul style="list-style-type: none"> <li>Changes have been made to ensure the expectations and benchmarks reflect the policy intent.</li> </ul>
Standard 14: Referral to an Injury	<ul style="list-style-type: none"> <li>Minor change to the expectations in S14.5 to reflect change from WIRO to IRO.</li> </ul>	<ul style="list-style-type: none"> <li>Aligns to establishment of the Personal Injury Commission and Independent Review Office with effect from 1 March 2021.</li> </ul>
Standard 15: Approval and payment of medical, hospital and rehabilitation services	<ul style="list-style-type: none"> <li>Minor change to S15.1 to ensure that the insurer is still required to comply with section 239 of the 1998 Act when making a decision about approval for medical, hospital and rehabilitation services.</li> </ul>	<ul style="list-style-type: none"> <li>SIRA has been made aware of a misinterpretation which posed a risk of the insurer not adhering to legislative prescribed timeframes.</li> </ul>
Standards 17: Section 39 notification	<ul style="list-style-type: none"> <li>Minor change to the expectations in S17.1 to reflect change from WIRO to IRO</li> </ul>	<ul style="list-style-type: none"> <li>Aligns to establishment of the Personal Injury Commission and Independent Review Office with effect from 1 March 2021</li> </ul>
Standard 18: Retiring age notification	<ul style="list-style-type: none"> <li>Minor change to the expectations in S18.1 to reflect change from WIRO to IRO</li> </ul>	<ul style="list-style-type: none"> <li>As above</li> </ul>
Standard 19: Section 59A notification	<ul style="list-style-type: none"> <li>Minor change to the expectations in S19.1 to reflect change from WIRO to IRO</li> </ul>	<ul style="list-style-type: none"> <li>As above</li> </ul>
Standard 23: Recovery of payments due to Insurer error	<ul style="list-style-type: none"> <li>Amended the name of the Standard to 'Recovery of payments due to insurer error' (previously 'Recovery of overpayments due to insurer error')</li> <li>Minor amendments to the expectation in S23.1 to remove reference to 'overpayment' and clarify that the insurer should consider the individual facts and circumstances and whether it is appropriate to seek a recovery from the worker.</li> </ul>	<ul style="list-style-type: none"> <li>The change in title more accurately characterises the nature of the payments being addressed, being a payment made in error by the insurer.</li> <li>The note clarifies for the insurer that they need to consider the circumstances of the payment made in error, and whether it is appropriate to seek recovery.</li> </ul>
Standard 26: Arrangement for payments to Medicare Australia	<ul style="list-style-type: none"> <li>Minor change to S26.1 to reflect change from Workers Compensation Commission to Commission.</li> </ul>	<ul style="list-style-type: none"> <li>Aligns to establishment of the Personal Injury Commission with effect from 1 March 2021.</li> </ul>

Content	Key changes	Comments
Standard 27: Notification and recovery of Centrelink benefits from lump sum payments	<ul style="list-style-type: none"> <li>Minor change to S27.1 to reflect change from Workers Compensation Commission to Commission.</li> </ul>	<ul style="list-style-type: none"> <li>As above</li> </ul>
Standard 31: Death claims	<ul style="list-style-type: none"> <li>Minor change at S31.4 to insert 'funding for' independent legal advice through ILARS.</li> </ul>	<ul style="list-style-type: none"> <li>Minor clarification only.</li> </ul>
Standard 32: Managing claims during the COVID-19 pandemic	<ul style="list-style-type: none"> <li>Minor change to the expectations at S32.4 and 32.10 to reflect change from WIRO to IRO.</li> <li>Minor change to S32.5 to note that a second and subsequent certificate of capacity may be obtained from the treating physiotherapist or psychologist for a 12-month period from 17 April 2020.</li> <li>Corrected typo at S32.8 "When an insurer becomes aware <b>of</b> a workers ability to maintain suitable work..."</li> </ul>	<ul style="list-style-type: none"> <li>Aligns to establishment of the Personal Injury Commission and Independent Review Office with effect from 1 March 2021.</li> <li>Clause 175(3) of the Workers Compensation Regulation is due to be repealed 12 months after commencement.</li> </ul>
Standard 33: Managing psychological injury claims (new)	<ul style="list-style-type: none"> <li>A new Standard has been included on the management of psychological injury claims following a period of public consultation. Changes have been made to the consultation draft of the Standard in response to the feedback received. To enable insurers time to consider how their existing claims handling practices align to the principle, expectations and benchmarks (and to make any necessary adjustments) the Standard will apply from 1 March 2021.</li> </ul>	<ul style="list-style-type: none"> <li>For further information regarding the development of S33, refer to the summary of submissions prepared by SIRA, together with copies of the non-confidential submissions which are available on SIRAs website.</li> </ul>