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## **RACP submission**

**NSW State Insurance Regulatory Authority's Health outcomes framework for the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes: Consultation paper**

**September 2020**

## About The Royal Australasian College of Physicians (RACP)

The RACP trains, educates and advocates on behalf of over 18,000 physicians and 8,500 trainee physicians, across Australia and New Zealand. The RACP represents a broad range of medical specialties including general medicine, paediatrics and child health, cardiology, respiratory medicine, neurology, oncology, public health medicine, infectious diseases medicine, occupational and environmental medicine, palliative medicine, sexual health medicine, rehabilitation medicine, geriatric medicine, and addiction medicine. Beyond the drive for medical excellence, the RACP is committed to developing health and social policies which bring vital improvements to the wellbeing of patients.

## RACP submission

Thank you for the opportunity to provide feedback on the NSW State Insurance Regulatory Authority's (SIRA) consultation paper titled *Health outcomes framework for the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes*.

This submission has been led by the RACP's Australasian Faculty of Occupational and Environmental Medicine (AFOEM) in consultation with relevant committees and members with experience in the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes.

Should you require any further information about this submission, please contact [REDACTED]  
[REDACTED] [Policy@racp.edu.au](mailto:Policy@racp.edu.au).

## Introduction

The RACP understands SIRA's health outcomes framework aims to "set a vision for the delivery of healthcare and to provide a transparent and systematic approach to monitoring and reporting on healthcare" and that SIRA's objective is to "make sure every dollar spent delivers quality and value and optimises recovery".<sup>1</sup>

For this purpose, the framework includes six domains, each including related healthcare outcomes which will be measured using and individual metrics to measure progress against these outcomes:

- (1) Physical and mental health – injured persons have good physical and mental health
- (2) Injured person experience and accessibility – injured persons have a positive healthcare experience and services are accessible in a timely manner
- (3) Wellbeing – injured persons attain high levels of wellbeing (e.g. return to work/activities, connectedness, resilience and empowerment/behaviours)
- (4) Cost of healthcare – healthcare provided within SIRA's schemes is cost efficient
- (5) Safety and quality of healthcare – healthcare provided within the WC and CTP schemes is of high quality and is delivered safely
- (6) Healthcare provider capability, delivery and experience – healthcare providers within the WC and CTP healthcare ecosystem are engaged, integrated and provide value-based healthcare sustainably

The Framework is an aspirational document which outlines an intention to capture data regarding injured individuals' outcomes following injury; it is an essential first step to being able to measure the schemes' progress in meeting their objectives.

## Feedback on SIRA's consultation paper

As physicians, our focus is on how SIRA's schemes can produce the best health outcomes for those covered by the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes. With this in mind, we offer the following recommendations to strengthen SIRA's draft health outcomes Framework:

- **Defining injury at the onset to include occupational diseases**

The Framework does not explicitly mention occupational diseases, these are an important component of workers compensation claims so we recommend including a definition of the term

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<sup>1</sup> SIRA's *Health outcomes framework for the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes: Consultation paper* (21 July 2020)

‘injury’ at the start of the Framework to make clear that occupational diseases are also included under this term.

- **Putting injured patients at the centre of the Framework**

We understand that cost and cost-efficiency are an important aspect of healthcare provision under the schemes and that the costs of healthcare provision need to be balanced against the needs of injured patients.

However, the healthcare needs of injured patients should be prioritised throughout the Framework along with the safety and quality of healthcare. We therefore recommend that the fifth domain *Safety and quality of healthcare* and the sixth domain *Healthcare provider capability, delivery and experience* be prioritised above the fourth domain *Cost of healthcare* in the Framework.

In addition, we note that the definition of value-based healthcare used in the Framework is consistent with the one set out by the NSW Ministry of Health and that it includes the “Quadruple Aim” for the delivery of healthcare to improve:

1. Health outcomes that matter to patients
2. Experiences of receiving care
3. Experiences of providing care
4. Effectiveness and efficiency of care

In the current Framework, it is not clear how SIRA plans to measure against those four areas in alignment with the domains and it would be beneficial for the Framework to include equal emphasis on those elements.

To achieve the best health outcomes for injured patients, the schemes should facilitate access to the best care available within the broader health system; this means ensuring that the treatment of injured patients is not restricted to providers who do regular work under the schemes. People injured in compensable accidents should receive no less a priority in the public/private health systems than if they were injured in a non-compensable situation if an investigation or treatment is medically justifiable. This may require individual arrangements with providers and should be outlined in the Framework.

We also recommend the Framework explicitly acknowledges that injured patients are active participants in the schemes rather than passive observers and that achieving health outcomes that matter to them and improving their experiences of receiving care are at the heart of the Framework in line with its adopted definition of value-based care and its “Quadruple Aim” mentioned above.

- **Strengthening the focus on injury prevention**

As referenced in Figure 1 of the Consultation Paper, one of the legislative purposes of SIRA’s personal injury schemes outlined in the *State Insurance and Care Governance Act 2015* is “to promote workplace injury prevention, effective injury management and return to work measures and programs”.

The Framework currently focuses on effective injury management and return to work measures and programs which are very important to improving health outcomes for injured patients. However, it lacks an emphasis on injury prevention which is an area that presents valuable opportunities to reduce workers’ compensation costs from the onset for all scheme participants and society more broadly. We would therefore recommend that the Framework places a strong emphasis on injury prevention to both improve health outcomes and reduce compensation costs.

- **Highlighting the importance of identifying and managing psychosocial risk factors as part of value-based healthcare**

The Framework should acknowledge that value-based care is more than just focusing on 'treatments' and that it needs to encompass a broader emphasis on the identification and management of psychosocial risk factors as well as on return to work and other social activities.

It would also be valuable for the Framework and the schemes to put more emphasis on what injured workers can do or might in the future be able to do rather than focusing solely on what injured patients cannot do to improve health outcomes in the longer term.

- **Acknowledging the important role different health professionals play in the schemes**

The Framework needs to acknowledge the different and important roles health professionals play in meeting the Schemes' objectives and in deciding issues pertaining to the causation of injury.

As such, it should explicitly mention the important role general practitioners (GPs) have in managing patients as well as the roles of specialist physicians such as rehabilitation medicine physicians, occupational and environmental physicians, neurologists and other specialists in managing complex cases.

Occupational and environmental physicians (OEPs) are specialist medical practitioners with clinical skills and knowledge in preventing and managing ill-health, injury and disability in workers; promoting safe and healthy workplaces; and reducing the impact of environmental hazards on the community. Early referral to OEPs is key when there are red flags about an injured worker's progress and their prospect of returning to work and this should be acknowledged in the Framework.

Rehabilitation medicine physicians assess and manage an individual with a disability due to illness or injury. Rehabilitation medicine physicians work with people with a disability to help them achieve an optimal level of performance and improve their quality of life.

Early referrals to rehabilitation medicine physicians for red flag cases and ordinary post-operative rehabilitation are likely to speed up recovery and increase the likelihood of return to work; this should be acknowledged in the Framework. Referrals to rehabilitation medicine physicians or alternatively to a multidisciplinary rehabilitation team led by a rehabilitation medicine physician can assist in identifying the reasons an injured individual is not making progress, implementing a new line of treatment, or alternately clearly recognising that further treatment of a physical nature is unlikely to help, and ceasing it.

- **Acknowledging the important role employers play in improving return to work outcomes**

The relationship of the employer with the injured worker is a key determinant of return to work outcomes. The Framework and the schemes need to acknowledge the important role employers play in assisting injured workers return to work and in injury prevention.

The Framework and the schemes also need to support employers to improve the health outcomes of all their employees through good work<sup>2</sup>. We know that workplaces that embrace good work have

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<sup>2</sup> Note: AFOEM defines good work as work that *"is engaging, fair, respectful and balances job demands, autonomy and job security. Good work accepts the importance of culture and traditional beliefs. It is characterised by safe and healthy work practices and it strikes a balance between the interests of individuals, employers and society. It requires effective change management, clear and realistic performance indicators,*

lower compensation claims and better return to work rates which positively impact on employer satisfaction with workers compensation insurance costs; this should be explicitly acknowledged in the Framework.

To further strengthen this aspect of the Framework, we recommend adding references to both SafeWork Australia's *National Return to Work Strategy 2020-2030*<sup>3</sup> and to AFOEM's Health Benefits of Good Work initiative.<sup>4</sup>

- **Making clear that motor accidents affect individuals across the age spectrum**

The Framework needs to explicitly acknowledge that motor accidents affect individuals across the age spectrum and that the demographic of injured people covered by the Motor Accident Injury/Compulsory Third Party Schemes is often very different from that in the workers compensation scheme.

The Framework needs to consider the needs of injured people who are not working and the potential impact of injury on the education of children and young people in particular. It is common for children not to be finally assessed for compensation purposes until they are in their twenties so it is essential that everything possible is done to prevent injury adversely affecting their education, and that no perverse incentives are built into the system.

- **Making the best use of data to measure health outcomes**

The Framework should seek to make the best use of the data already available to measure outcomes including data from the wider health system and healthcare providers. In particular, the Framework should encourage medical assessors within the schemes to provide medical feedback and to document disputed cases and instances where timely treatment has been delayed or where technicalities within the assessment process results in medically anomalous outcomes. This information could be collated, anonymised, and available on request and in any case published annually to improve health outcomes for all participants.

We recommend the Framework should explicitly outline that it will link or interrogate existing data sources, in particular routinely collected data (as opposed to one off data collections or surveys), and that it will establish a measurement system that allows for easy and low cost linked data. The Framework should also acknowledge the interconnectedness of outcomes from CTP and WCC with the wider health system. Serious injury nearly always commences treatment in the public hospital system, and there is a large volume of data regarding outcomes within that system which could be used in the Framework.

The metrics, monitoring, and reporting mechanisms outlined in the Framework should include specific categories for children, students, the self-employed and both the working and non-working older Australians. It is important that the Framework acknowledges that many individuals beyond

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*matches the work to the individual and uses transparent productivity metrics.*" Source: The Royal Australasian College of Physicians' (RACP) Australasian Faculty of Occupational and Environmental Medicine (AFOEM), Consensus Statement on the Health Benefits of Good Work (2017). Available online:

[https://www.racp.edu.au/docs/default-source/advocacy-library/afoem-realising-the-health-benefits-of-work-consensus-statement.pdf?sfvrsn=baab321a\\_14](https://www.racp.edu.au/docs/default-source/advocacy-library/afoem-realising-the-health-benefits-of-work-consensus-statement.pdf?sfvrsn=baab321a_14) [last accessed 07/09/2020]

<sup>3</sup> Safe Work Australia, *National Return to Work Strategy 2020-2030*. Available online:

[https://www.safeworkaustralia.gov.au/system/files/documents/1909/national\\_return\\_to\\_work\\_strategy\\_2020-2030.pdf](https://www.safeworkaustralia.gov.au/system/files/documents/1909/national_return_to_work_strategy_2020-2030.pdf) [last accessed 07/09/2020]

<sup>4</sup> AFOEM, Health Benefits of Good Work initiative: <https://www.racp.edu.au/advocacy/division-faculty-and-chapter-priorities/faculty-of-occupational-environmental-medicine/health-benefits-of-good-work> [last accessed 07/09/2020]

traditional retirement age are working or wish to continue working and to re-join the workforce after injury. The metrics and monitoring should also reflect the “Quadruple aim” of healthcare adopted by the Framework (i.e. health outcomes that matter to patients, experiences of receiving care, experiences of providing care and effectiveness and efficiency of care).

It is likely that additional data will need to be collected and we strongly recommend that SIRA consults with medical professionals involved in the schemes to assess what data would be useful and how feasible it would be to collect it without putting undue additional burden on healthcare providers’ workload.

As noted previously, workplaces that embrace good work have lower compensation claims and better return to work rates and the Framework should use data to identify high risk employers and workplaces in an industry to target workplace visits which are a necessary part of decision making in the compensation system.

We would also recommend that the Framework highlights the **importance of timeliness of decision making in the compensation system** and its impact on the health outcomes of injured workers as well as the importance of making sure **injury management is culturally safe and appropriate**. It would also be beneficial for the Framework to include a section on **potential barriers to health outcomes and ways to overcome them** and to **acknowledge the current challenges faced by the schemes** including recent evidence that some injured workers have not been adequately compensated or treated and that return to work rates have worsened.

Thank you again for this opportunity to provide feedback on the NSW State Insurance Regulatory Authority’s (SIRA) consultation paper titled *Health outcomes framework for the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes*.

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[REDACTED] [Policy@racp.edu.au](mailto:Policy@racp.edu.au).