



Occupational Rehabilitation Review

Recommendations Report

Synthesis of research findings and recommendations arising from *ISCRR
Project 211: Occupational Rehabilitation Review*

A joint initiative of

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ACKNOWLEDGEMENTS

This project was funded by WorkSafe Victoria through the Institute for Safety, Compensation and Recovery Research (ISCRR). ISCRR would like to acknowledge WorkSafe and the members of the consultation group for their assistance and collaboration throughout the development of all outputs in this project.

ISCRR would also like to acknowledge all staff who contributed to the primary reports and participants in the Quality Improvement Review and Environmental Scan for the time and effort they contributed to the project.

ISCRR is a joint initiative of WorkSafe Victoria, the Transport Accident Commission (TAC) and Monash University. The accuracy of this publication is the responsibility of the authors. The opinions, findings, conclusions and recommendations expressed in this publication are those of the authors and not necessarily those of WorkSafe Victoria, the TAC, Monash University or ISCRR.

1. EXECUTIVE SUMMARY

This report summarised the findings from the four studies undertaken as part of the ISCRR Occupational Rehabilitation Review (ISCRR Project 211) and identified cross cutting themes.

Project key findings

Findings from the evidence review

- The evidence review found moderate to strong evidence that OR interventions are effective at improving RTW outcomes, particularly for musculoskeletal injuries
- Occupational rehabilitation achieves the best outcomes when delivered early (2-4 weeks of injury)

Findings from the environmental scan

- There was significant variation in the approaches to providing OR services, including within WSV
- Measures and incentives are a major influencer of behaviour in the current system
- A number of challenges in the provision of OR services exist in the current model, including the lack of ability for OR consultants to provide recommendations, turnover of OR consultants, the injured workers' capacity, capability and motivation to RTW, stigma of clients, unintended consequences of performance measures and incentives and the employers' capacity, capability and motivation

Findings from the data analysis

- Over the time period studied (2007–2016), the data analysis found that OR service use increased
- In the study period, improvements in the time to commencement of OR services as well as OR outcomes including time to placement and sustainability were observed, however, as the analysis only reviewed claims that had received OR services it is unclear as to whether this was as a result of the OR services provided

Findings from the qualitative interviews

- Both positive and negative experiences were reported in the management, delivery and receipt of OR services in Victoria
- For recipients of OR services, positive experiences were associated with perceptions that OR consultants were helpful, supportive, listened and tailored services to their needs while negative experiences were associated with perceptions of unrealistic expectations of RTW on the injured worker, communication challenges and services that did not match needs

Cross cutting themes

Over all of the research pieces, five key themes emerged which require attention to improve the management, delivery and receipt of OR services in Victoria:

- Performance measures and incentive structures
- Early and targeted referral of injured workers
- Information flow and communication between stakeholders
- Flexibility and ability to involve injured workers
- Stigma towards injured workers and people with mental injury

Recommendations are provided based on the cross cutting themes identified.

Recommendations

The following is recommended to improve occupational rehabilitation services for injured workers.

Performance measures and incentive structures

1. Review current system measures and benchmarks for both Agents and OR providers to ensure they are driving behaviours that maximise client RTW outcomes.
2. Consider measures and incentives that fairly reward OR consultants for case complexity and encourage professional growth.
3. Align measures used by WorkSafe and Agents to measure OR provider performance.

Early and targeted referral

4. Facilitate early referral to OR services with a focus on improving case management.
5. Consider the development of client screening approaches to identify the injured workers most likely to benefit from OR services.
6. Review eligibility and referral requirements for NES services, particularly for mental health claims.

Information flow and communication between stakeholders

7. Promote initiatives that enable the sharing of information between stakeholders such as case conferencing.
8. Explore opportunities to provide information to injured workers through channels other than formal letters.

Flexibility and ability to involve injured workers

9. Enable OR consultants to provide recommendations on the services and treatments delivered to their clients.
10. Explore opportunities for greater engagement with injured workers in the OR assessment process.

Stigma towards injured workers

11. Invest in activities and programs aimed at reducing stigma associated with accessing workers' compensation.

2. BACKGROUND AND APPROACH

2.1 Background

Occupational rehabilitation (OR), also referred to as vocational rehabilitation or workplace rehabilitation is a suite of activities and interventions which aim to facilitate employment. In the context of the Workers' Compensation System in Victoria, OR services aim to support injured workers to return to work (RTW) following workplace injury or illness.¹ OR services include workplace assessments, occupational therapy, worksite visits, on-site management, vocational guidance, occupational health services, work hardening, work modification, job accommodation, work adjustments, work reintegration plans, or ergonomic interventions.

The primary goal of OR is to support injured workers to RTW at either their original employer or a new employer. Services delivered to facilitate RTW to the original employer are termed Original Employer Services (OES) and services aiming to find a different employer, New Employer Services (NES).

Although not restricted to work-related injuries, occupational rehabilitation is a key component of the approach to workplace injury in Australia and is guided by the relevant state-based workers' compensation legislation.²

In 2015/16, 14,887 WorkSafe Victoria claims were referred to occupational rehabilitation, managed by WorkSafe Victoria's Insurance Agents.³ Despite the increased investment in these services in recent years, results in return to work rates have not seen significant improvements.⁴

WorkSafe Victoria is reviewing their current approach to the provision of occupational rehabilitation services to identify areas for improvement in service delivery and RTW outcomes. To support this process WorkSafe commissioned a strategic review through ISCRR (Project 211).

2.1.1 Stakeholders in occupational rehabilitation services

In Victoria and other jurisdictions, the strategic review identified a range of stakeholders involved in occupational rehabilitation:

- **Management of OR services** includes WorkSafe Victoria through the set-up of standards, procedures and contracts, Insurance Agents through determination and decision making regarding which injured workers receive OR services and OR providers who distribute referrals to consultants.
- **Delivery of services** includes OR consultants who deliver OR programs and undertake OR servicing on claims, healthcare providers who provide treatment and recovery including fitness certification and employers through providing workplace accommodations and alternative duties.
- **Receipt of services** includes the injured workers who had been assigned OR services to support their recovery and return to work.

¹ Hou W, Chi C, Lo DH, Kuo KN, Chuang H. Vocational rehabilitation for enhancing return-to-work in workers with traumatic upper limb injuries. *Cochrane Database Syst Rev.* 2013(10).

² Harrison K, Allen S. Features of occupational rehabilitation systems in Australia: a map through the maze. *Work.* 2003;21(2):141-52.

³ Compensation Research Database. Melbourne: Institute for Safety, Compensation and Recovery Research, 2017.

⁴ Stay safe at work. WorkSafe Victoria Annual Report 2017 [internet]. Melbourne: Victoria State Government, 2017. Available from: https://www.worksafe.vic.gov.au/__data/assets/pdf_file/0019/214831/ISBN-WorkSafe-annual-report-2017.pdf

2.2 About this project

This report has been prepared for WorkSafe Victoria to synthesise the evidence generated through ISCRP Project 211: *Occupational rehabilitation strategic review*. The project delivered the following outputs:

- An evidence review of effective occupational rehabilitation interventions in the scientific literature
- An environmental scan of current and emerging practice in occupational rehabilitation
- A quality improvement review involving qualitative interviews with a number of stakeholders involved in the delivery of occupational rehabilitation services in Victoria
- A data analysis of trends and outcomes in the delivery and receipt of occupational rehabilitation services in Victoria.

This program of work aimed to answer the following questions:

1. How well are existing Victorian occupational rehabilitation approaches working?
2. What models and initiatives are being used in other jurisdictions?
3. What occupational rehabilitation initiatives have been shown to be effective in improving return to work outcomes?
4. How do the proposed initiatives compare with what is evidence-based and being implemented elsewhere?
5. What are the evidence-based recommendations for future approaches?

This synthesis presents the major cross-cutting themes which emerged across all the research activities undertaken. It provides evidence-based recommendations with the aim of improving the efficiency of OR services and maximising return to work outcomes for clients.

2.3 Approach

The approach taken for the four primary study components and the synthesis are described below.

2.3.1 Evidence review

A systematic search of the scientific literature for systematic reviews and primary studies that tested occupational rehabilitation interventions was conducted in July and August 2017. The review aimed to answer the following questions:

1. What occupational rehabilitation interventions for injured workers have been shown to impact return to work and health outcomes?
2. What are the characteristics of effective interventions, in particular:
 - 2.1. What are the differential effects across worker, employer and injury characteristics?
 - 2.2. How are they implemented?

The search found 24 systematic reviews and primary studies that met the eligibility criteria. Data from these reviews were extracted and synthesised into the following intervention themes: 1) occupational/vocational; 2) physical; 3) psychological; 4) multicomponent; and 5) recovery and return to work coordination.

2.3.2 Environmental scan

An environmental scan was conducted to provide an industry-wide snapshot of current and emerging practice in providing occupational rehabilitation services to clients. Specifically it aimed to identify:

1. Approaches and models for occupational rehabilitation that currently support people with injury, illness or disability to return to work
2. The emerging approaches for occupational rehabilitation that are being developed or recently being trialled to support people with injury, illness or disability to return to work.

The scan involved desktop scanning of publicly available information and interviews with key informants. A total of 23 organisations participated in the scan ranging from workers' compensation authorities, insurance agents, Federal Government agencies, occupational rehabilitation providers, industry associations and one managed care consortium. Participating organisations were based in Australia and internationally. Cross-organisational findings were presented as well as case studies identifying emerging best practice.

2.3.3 Quality improvement review

This study adopted a multi-component design which involved a survey, targeted stakeholder interviews, survey data collection and subsequent data analyses. It aimed to answer the following research questions:

1. What are stakeholders' experiences of return to work processes that include OR approaches?
2. Based on their experience, which aspects of the existing Victorian OR approach to return to work are effective and which are less effective?

The data from previous surveys conducted by WorkSafe Victoria, which evaluated OR providers from the perspective of employers and injured workers was analysed in line with the study questions. Additional semi-structured interviews were conducted with 20 injured workers and 11 employers to explore the experience, barriers and facilitators for OR approaches to return to work. A survey for OR consultants was developed and delivered to 20 participants, in addition to 11 semi-structured interviews with OR consultants. Finally, semi-structured interviews were conducted with representatives from all five WorkSafe Agents. All data was synthesised and the findings presented as they related to the management, delivery and receipt of OR services.

2.3.4 Data analysis

This study analysed WorkSafe claims data held by ISCRR in the Compensation Research Database (CRD). The study aims were to:

1. Examine OR service utilisation in Victoria between 2007 and 2016
2. Identify any patterns in OR service use
3. Examine OR service outcomes and their sustainability
4. Identify factors associated with return to work placement and sustainable work outcomes for Original Employer Services and New Employer Services.

Data analysed were claims, service and payment data on standard time loss claims where a WorkSafe client was provided with OR services between July 2007 and December 2016. Data were extracted from the CRD and the following analyses were performed:

1. Descriptive statistics and data visualisation to examine trends in the provision of OR services
2. Duration analysis to examine claim characteristics, such as time to return to work
3. Logistic regression to identify any relationships between individual client and claim characteristics and claim outcomes
4. Logistic regression to identify any relationship between claim characteristics and return to work placement, as well as characteristics that positively influence return to work outcomes.

2.3.5 Evidence synthesis

The four primary output reports in the project were reviewed to identify themes consistent across the evidence gathered in the project. Authors of the primary output reports were also consulted to provide feedback on the synthesis findings. Recommendations were devised in areas where sufficient evidence was identified.

2.4 Report structure

The report's findings are presented under the following cross-cutting themes:

1. Summary of project key findings
2. Overview of findings against proposed WorkSafe Victoria initiatives
3. Identified focus areas for improvement
4. Thematic synthesis and recommendations
5. Insights

3. SUMMARY OF PROJECT KEY FINDINGS

This section provides a summary of the key findings from the four components of the Occupational Rehabilitation Review (ISCRR Project 211).

3.1 Evidence review

3.1.1 Key findings

The review of scientific evidence identified a variety of occupational rehabilitation interventions which were effective at improving return to work outcomes.

The key findings were that:

- **Coordination of recovery and RTW** in interventions incorporating early contact and referral, functional and biopsychosocial assessment, employer engagement, collaborative service coordination and individualised planning improved early return to work, function and well-being for injured workers with musculoskeletal (MSK) or pain-related conditions.
- **Multicomponent and multidisciplinary interventions** that involved early contact with the worker and the employer were effective in improving the likelihood of return to work and improved function and pain outcomes for workers with a MSK injury.
- **Work-directed vocational interventions** effectively reduced the time to return to work (by as much as half) and increased the likelihood of return to work for workers with a MSK injury.
- **Physical and psychological interventions** that involve the workplace are effective for reducing time to return to work and sickness absence.

From the evidence we drew the following conclusions:

- There is **strong** evidence that **coordination of recovery and RTW** can reduce the time to RTW for workers with musculoskeletal injury.
- There is **strong** evidence that **multicomponent and multidisciplinary interventions** that include early contact and employer engagement can significantly improve RTW and health outcomes for workers with musculoskeletal injury.
- There is **moderate** evidence that **workplace based vocational interventions** that include employer engagement can reduce the number of sick leave days.
- There is **moderate** evidence that **psychotherapy interventions** that are work focused and include employer engagement can reduce sick leave duration and time to RTW for workers with musculoskeletal injury and mental health conditions.
- There is **mixed** evidence that **psychotherapy interventions** are effective in facilitating RTW for workers with mental health conditions.

3.1.2 Implications

Post injury or illness process

- Consider an approach that provides injured workers with a primary contact person (e.g. coordinator), to assist in navigating the system and to achieve timely referrals and service appointments.
- Undertake early (<2 to 4 weeks after discharge from hospital or soon after claim lodgement) functional and biopsychosocial assessment to identify injured workers' needs, occupational status and work readiness.
- Refer to occupational rehabilitation provider/consultant as early as possible.

Post referral to OR provider process

- Work collaboratively with occupational rehabilitation providers/consultants, injured workers, health service providers, and employers to develop a tailored return to work plan. A return to work plan should incorporate periodic case conferences for ongoing assessment of progress.
- Offer workplace based and work focused multicomponent interventions that are tailored for physical and mental health conditions.
- Align intervention intensity and duration with the complexity of the return to work process for individual injured workers to achieve optimal employment and health outcomes.

New employment services

- Individual placement and support programs can effectively result in competitive employment for individuals of working age with severe and long term physical and mental illness.
- Currently there is insufficient evidence of effectiveness of new job placement and support programs for individuals with back pain on disability pension and unemployed individuals with musculoskeletal injuries.

Future enquiry

- There is insufficient evidence on the effectiveness of voluntary work, motivational interviewing and telephonic interventions for promoting occupational re-integration and improving RTW outcomes.
- Further evidence of the effectiveness of structured individual placement and support programs for injured workers unable to return to the same job and the same employer is required.
- Trials of work focused motivational interviewing, voluntary work, retraining to improve work readiness and telephonic interventions are recommended to strengthen the evidence base.
- The applicability of established RTW processes for workers with musculoskeletal injury cannot currently be directly translated to mental health conditions in the workplace.

3.2 Environmental scan

Findings from the Environmental Scan comprised desktop scanning of 23 organisations involved in the management and delivery of OR services and semi-structured interviews with 21 of these organisations.

3.2.1 Key findings

Approaches and models for occupational rehabilitation

- There was considerable variation in the role, use and governance of OR providers by agencies providing OR services to clients with injury, illness or disability.
- Outsourcing of occupational rehabilitation services to external OR providers was the standard practice across the vast majority of organisations examined, with the exception of two who had brought services in house.
- Multiple compensation authorities reported increasing their control of OR service delivery in recent times. Examples of ways this was done included limiting the number of OR providers, introducing stronger performance monitoring approaches, and new payment models such as outcomes-based incentive payments and package payment approaches to encourage outcome-driven behaviour.
- Only limited evaluation of OR provider initiatives was available, with only two organisations having reviewed their OR frameworks in recent years.
- A noticeable focus on moving from general OR service provision to delivering client-centric approaches was observed in the scan, including increasing attention on the provision of support for mental injury.

Barriers and enablers for occupational rehabilitation service delivery

- Barriers and enablers to the effectiveness of OR services were identified across the system and included:
 - Level of employer capability, capacity and motivation for enabling RTW
 - Level of worker/client capability capacity and motivation for work
 - Negative stigma of compensation claimants and mental injury, making employers and workers unwilling to work with the system and/or compensable clients
 - OR consultants, including their skills and the level of turnover
 - Relationships and trust within the system, with positive relationships supporting RTW and negative relationships impeding RTW.
- In the Victorian system, the measures applied to the sector were identified as a key driver for the provision and behaviours regarding delivery of OR services to clients. Measures were reported to be driving an increase in service referrals in an effort to meet benchmarks as well as driving OR Provider behaviour such as cherry picking cases to receive outcome incentives.
- Several organisations had worked to minimise identified barriers in the system including consultant turnover through stepped payment models, stigma through incentive payments and relationships and trust through mobile case management.

3.2.2 Implications

Occupational rehabilitation provides valuable services to clients to support RTW processes. The scan identified a number of current and emerging trends in the provision of OR services, as well as key challenges and opportunities in the current WorkSafe Victoria system.

Currently, significant effort is expended on assessments of the client, including their functional capacity and capability, as well as their work-related capability including transferrable skills. It was

unclear from the scan as to how the assessments link to OR service delivery and discussions with insurance agents in the WSV system identified a lack of ability to understand when OR servicing should continue and when it should cease.

The scan also identified a number of challenges and opportunities in the current system, and the ways these have been addressed where possible. Key challenges included:

- Relationships and trust between stakeholders
- The ability to recruit and keep OR consultants
- The client's capability, capacity and motivation for work
- The employer capability, capacity and motivation to both return the worker to work and/or hire workers with illness, injury or disability
- Stigma associated with both workers' compensation and mental health
- Discrepancy between the measures and indicators used to measure OR services between stakeholders.

The measures used to track and monitor OR provider performance within the workers' compensation system in Victoria were frequently referred to by providers and agents as influencing and driving behaviours. In particular, the Back @ Work measure that Agents are required to meet, whereby the worker is back at work in some capacity at 26 weeks, was frequently referred to as driving OR services. This resulted in providing OR services on claims as a means of attempting to meet this measure, rather than as a means of improving outcomes for clients. Decisions regarding providing OR services in Victoria were also characterised by a need to have face-to-face representation and intervention, particularly in more remote areas of the State.

There was a strong sentiment from providers of wanting to work with WorkSafe Victoria and Agents to develop solutions to problems identified in this report. Approaches such as those used to develop WorkSafe Victoria's new employer service were appreciated and further engagement with providers would be welcomed. A new model that builds on existing engagement practices such as those used to develop WorkSafe Victoria's new employer service is likely to both yield both better outcomes and improved relationships.

The provision of payment to providers with outcome-based measures and incentives was overall seen as a positive, however, despite their intent, the incentives for consultants sometimes created a divide between experienced and less experienced consultants. This resulted in a situation in which experienced consultants were more likely to be allocated complex cases, and as a result, receive fewer incentive payments. Consideration of consultant incentives could support providers to keep trained consultants in the system and further support delivery of services for workers.

Another area for further exploration was the prioritisation of services delivered to injured workers. Currently, RTW to the worker's original employer is the top priority in the Victoria Workers' Compensation system, with new employment services initiated only after workers fail to RTW at their original employer. OR providers reported that this approach is restrictive and, in some cases, not in the worker's interest. Several examples were given where consultants had identified early on that a worker was unlikely to return to their original employer but the consultant was unable to move them into new employer services until much later than they would recommend due to the current legislative environment requiring employers and consultants to meet their RTW obligations.

Of note was discussion around incentives for employers and the insights provided around the poor adoption of incentives by employers. Providers noted that the stigma associated with being on workers' compensation or having a mental health condition often prevented workers from wanting to disclose their status as a compensation client. In addition, a strong theme around employer reluctance to hire workers with mental injury was noted. Based on the findings from this scan, incentive payments are unlikely to resolve this issue.

In light of these findings, the following considerations were highlighted to inform future models for the provision of OR services:

- Collaboration with key stakeholders including OR providers for the development and implementation of services
- Re-consider the usefulness of incentive payments in relation to improving client outcomes
- Consider mechanisms of rewarding experienced OR consultants
- Align insurer and provider performance measures for assessing success
- Provide tailored services to injured workers that respond to their needs and motivation for work, particularly for those who are unlikely to return to their original employer
- Provide capacity building for employers to build skills for RTW planning and understanding RTW obligations in the system.

3.3 Quality improvement review

Findings from the Quality Improvement Review comprised data from previous surveys conducted by WorkSafe Victoria, which evaluated OR providers from the perspective of employers and injured workers, semi-structured interviews with 20 injured workers and 11 employers, a survey completed by 20 OR consultants and 11 semi-structured interviews with OR consultants. Semi-structured interviews were also conducted with representatives from all five WorkSafe Agents.

3.3.1 Key findings

Roles and responsibilities in the management, delivery and receipt of OR services

Occupational rehabilitation is a service provided by WorkSafe through insurance agents when agents determine that a claim would benefit from OR services. Decision-making processes across agencies in determining claims for OR services varied, with some agents reporting undertaking early case conferences and others using screening approaches to identify barriers for RTW. In the Victorian system, injured workers are given 3 OR providers to select from at the start of their claim, usually within the acceptance package. Providers are selected using different approaches including location, availability, provider performance and service type.

Once a claim is referred to an OR provider, the provider then assigns the claim to an OR consultant. Insurance agents reported that all claims started in OES, and only when all options had been exhausted and evidence supporting the employer's inability to provide suitable duties and/or the workers incapacity for a role within their original employer, was the worker referred to NES.

The role of the OR consultant was described relatively consistently across the stakeholders included in this study. Insurance agents were also described consistently by stakeholders involved in the management and delivery of services, however, there appeared to be some confusion between the role of OR consultants and mobile case managers. This could result from the reported use of OR consultants for cases where a need for face-to-face intervention was the main driver for the service provision.

Further, the role of the employer was less clear, with some stakeholders in the system reporting that the employers supported the delivery of OR services by providing suitable employment tasks for injured workers, workplace accommodations and by actively participating in service delivery. Agents, however reported that one driver for providing OR services was to support employers with limited capability and capacity for RTW planning and that in some cases, employers were the ones requesting OR services.

Stakeholder experiences with OR approaches were characterised by their role in OR in the Victorian Workers' Compensation System, specifically whether stakeholders were involved in managing OR services, delivering OR services and/or treatments and receiving OR services, as outlined below:

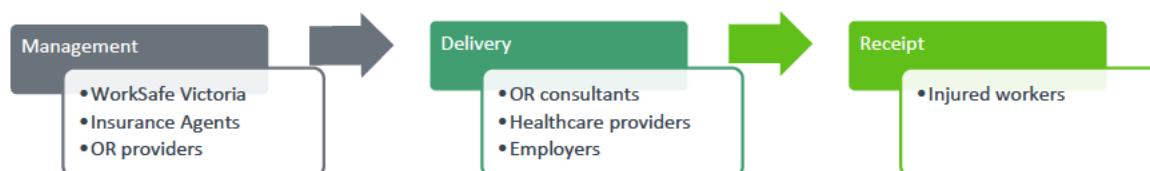


Fig 1. Stakeholder roles in the management, delivery and receipt of OR services in the Victorian Workers' Compensation setting

Agencies involved in the management of OR services included:

- **WorkSafe Victoria** – through the establishment of standards, regulation and enforcement of associated legislation, and development of procedures and contracts with OR providers
- **Insurance Agents** – WorkSafe’s five insurance agents provide management through determination and decision making regarding which injured workers receive OR services, as well as undertaking claims management processes, including payment
- **OR Providers** – OR providers support the management of services by distributing referrals to consultants and providing reporting and compliance.

Agencies involved in the delivery of OR services included:

- **OR Consultants** – who deliver OR programs and undertake OR servicing of claims
- **Healthcare providers** – who provide treatment and recovery including fitness certification
- **Employers** – through providing workplace accommodations and alternative duties.

Stakeholders receiving services appeared to be exclusively the injured workers who had been assigned OR services to support their recovery and return to work. WorkSafe Agents reported the level of knowledge and skill of the employer in relation to RTW planning as a key determinant for the assignment of services for injured workers.

Some cross-cutting themes emerged as issues for stakeholders managing, delivering and receiving OR services including:

- **Discrimination** – discrimination was reported against injured workers who had made a claim. Agents, consultants and injured workers all reported that the stigma associated with being on workers’ compensation was a key issue and barrier in the successful delivery of OR providers and, in some cases, led to discrimination and prevented workers from returning to their original employer or finding new employment after injury.
- **Communication and transparency** – all stakeholders in the system reported instances where they were unaware of progress or issues in the claim. A desire for improved knowledge transfer and exchange across stakeholders was a strong theme in the review.

Experiences in the management of OR services

Experiences in the management of OR services provided below were captured from the perspective of WorkSafe’s insurance agents. Perspectives from WorkSafe and OR Providers who also manage OR services are not included in the following analysis as they were not included in this report.

Overall, WorkSafe’s insurance agents indicated that OR services did improve RTW outcomes for injured workers and that these services provide a critical function for the injured worker. Insurance agents reported that positive OR outcomes occurred when:

- Injured workers and employers were willing to participate in the RTW process
- OR services were provided at the right time for the right purpose
- There was good communication and collaboration between and amongst case managers OR consultants and healthcare providers.

Agents also noted that the implementation of Mobile Case Management is providing face time to more injured workers and employers, which is reducing barriers to RTW and improving coordination between stakeholders. Many believed that these changes will assist in achieving better RTW outcomes.

Reported challenges in the system in relation to the management of OR services were largely associated with a lack of flexibility in the system, competing success measures, unwillingness of healthcare providers/employers/injured workers to participate in RTW processes and the individual skills of the OR consultant.

Overall, agent representatives suggested that the following aspects of the system be reviewed:

- Enable OR consultants to provide suggestions regarding treatment to the injured workers and practitioners.
- Review current system success measures (e.g. Back @ Work and RTW measure) for both agents and OR providers as current measures do not consider the multiple barriers beyond agent/consultant control that may prevent injured workers' RTW.
- Review data inputs for reporting; particularly the suspension code to enable accurate reporting of active/suspended services.
- Provide guidance around length of OR service provision and when treatments should cease.

Experiences in the delivery of OR services

Experiences in the delivery of OR services were captured from the perspectives of OR consultants and employers. Perspectives from healthcare providers who also deliver/support the delivery of OR services are not included in the following analysis as they were not involved in this review.

Employer experiences with OR consultants were largely positive, with employers stating that when consultants were knowledgeable, proactive and communicative, the process was smooth, easy to understand and easy to participate in. Of those who reported negative experiences, a lack of communication, knowledge and the employer having to follow up providers were reported as the main reasons.

Employers reported that barriers to the effectiveness of OR service provision included:

- Injured worker barriers, including their skill level, training and willingness to take on roles within the organisation
- Employer barriers, including their inability to provide suitable duties
- Healthcare provider barriers, including their certification practices and willingness to recommend work
- Insurance agent barriers, including poor communication, delays in approvals and case manager change processes.

OR consultants reported barriers to providing OR services at the insurance agent level (inappropriate timing of referrals for services), injured worker level (attitudes and skills), with healthcare providers (unwillingness to participate in the process), and with employers (ability to provide duties and system barriers including the measures and payments applied for services).

Conversely, OR consultants' experiences indicated that they achieved better RTW outcomes when:

- The injured workers were content with the treatment and the WorkCover claim process and were participative in the RTW plan
- Employers participated in the RTW plan process
- OR consultants had good communication exchange with health care providers and case managers.

Overall, representatives from stakeholders involved in the delivery of OR services suggested that the following aspects of the system be reviewed:

- Communication and information about OR services
- Provide OR consultants more flexibility from the system, the ability to provide treatment recommendations, reduction in administration and faster approvals
- Review measures used for payments of both agents and OR providers, which were driving referrals from agents at inappropriate times and enabling behaviours such as using OR services as a means to measure compliance
- Pathways to referral with a focus on supporting early referral mechanisms

- Provide education and skills to the injured workers, employers and healthcare providers involved in OR claims so that they understand their obligation and cooperate with OR consultants
- Recognise and work to abolish the stigma associated with WorkCover claimants
- Approval, payments and processing times for services
- Handover practices when claims managers change to minimise the impact on the injured worker and ensure stakeholders are informed of changes.

Experiences in the receipt of OR services

Injured workers' experiences with receiving OR services were mixed. Positive experiences with OR consultants were associated with perceptions that OR consultants were helpful, supportive, listened to them and provided services tailored to their needs. Negative experiences were associated with perceptions of unrealistic expectations of RTW on the injured worker, communication challenges and mismatched services.

Injured workers' experiences with insurance agents were also mixed with positive experiences associated with swift approval processes, support of the treatment recommendations and clear and transparent communications. Negative experiences were associated with delayed approvals and/or denials of services and poor communication.

Injured workers reported multiple factors that they believed affected the OR service delivery, including:

- Case management processes – current practice provides limited personalised communication to the injured workers regarding the WorkCover claim process as well as frequent change in case managers with poor handover practices
- Employer barriers – unwillingness to provide alternative duties or participate in the process
- OR consultants – some injured workers reported that their consultants placed unrealistic expectations on them and pressured them to RTW.

Injured workers who had been able to successfully RTW after their injury reported that they were able to RTW because:

- They worked in organisations where the injury management systems were in place
- They did not find the claim process complicated
- Their employers were accommodating
- They were eager to return to work
- The OR consultants were supportive and did not pressure them to RTW.

Overall, representatives from injured workers who had received OR services suggested that the following aspects of the system be reviewed:

- Provide more tailored services from the system and enable informed decision making from the injured worker
- Recognise that their injury and the challenges associated with having an injury that they perceived were not their fault
- Guide and audit employers to provide safe and accommodative work environment (e.g. mental injury – bullying)
- Simplify and streamline claims management processes to enable decisions related to treatment and/or course requests without delay
- Minimise pressure on the injured worker to RTW.

3.4 Data analysis

The data analysis looked to identify trends in standard time loss claims where a WorkSafe client was provided with OR services between July 2007 and December 2016. The findings are described as they related to use of the Original Employer Services (OES), direct referral the New Employer Services (NES) and NES after OES.

3.4.1 Key findings

Trends in occupational rehabilitation service use

- The **number of OR claims increased** from 2007–2008 (11,434 claims) to 2015–2016 (14,887 claims), with **increases in both OES and NES** during that period. The number and proportion of direct NES claims increased over the period.
- In regards to timing of services:
 - OES was primarily delivered in the first year from claim approval (73% of claims), and by 3 years for 98% of claims
 - Only 25% of NES services were delivered in the first year after claim approval and 85% of NES services had been delivered within 3 years.

Patterns of occupational rehabilitation service provision

OES

- Claims that **achieved OES placement had a shorter commencement time** (15 weeks) than claims that did not (19 weeks). This was seen when all claims were analysed together and across all Insurance Agents and OR Providers.
- **Time to first OES placement decreased** from 2008 (11 weeks) to 2016 (8 weeks).
- The **time to a sustainable OES outcome increased** from 2008 to 2016 for clients who were not at work at OES commencement (23 to 28 weeks), as well as for clients at work at the time of commencement (19 to 21 weeks).

NES

- The **time to commencement was considerably shorter for direct NES than NES following OES**, regardless of year (in 2016, an average of 91 weeks compared to 131 weeks).
- There was an **increase in time to commencement for direct NES services** each year, increasing from an average of 36 weeks in 2008 to 91 weeks in 2016.
- **Time to commencement increased** between 2008 and 2016 for both direct NES and NES following OES for all but one Agent and for all but one OR Provider.
- **Time from commencement to sustainable outcome increased for both direct NES and NES following OES** for all Agents and all Providers between 2008 and 2016. Overall the increase was 40% for Direct NES (44 weeks in 2016) and 31% for NES following OES (42 weeks in 2016).

OR outcomes: client placement and sustainability

OES

- The proportion of clients who **achieved placement** increased from 55% in 2008 to 77% in 2015.
- The largest proportion of clients who **achieved placement** went through gradual OES placement and achieved 100% pre-injury hours (PIH) (about 30-40%).
- The largest proportion of clients who RTW through OES placements do so **within 3 months** after commencing OES, regardless of the year in which they began using OES. The proportion of clients who RTW in under 3 months through OES almost doubled from 36% to 63% from 2008 to 2015, respectively.

- Clients who commenced OES in **later years** such as 2015 took a **shorter time** to achieve their first OES **placement** relative to earlier years.
- Clients who RTW through gradual 100% PIH placements took a **shorter time** to achieve their first OES placement compared to those who RTW using 100% PIH placements directly.
- The total proportion of clients who achieved **placement sustainability** increased from 44% in 2008 to 59% in 2015.
- Placements were more likely to be **sustainable** where there was a shorter time to commencement, a shorter time to first placement, and placement type was gradual or directly 100% pre-injury hours.
- Over 90% of clients who achieved gradual 100% PIH and direct 100% PIH placements attained **sustainability**.

NES

- 32% of clients who used NES services from 2008 to 2015 achieved **placement with a new employer** and 26% achieved **placement sustainability**.
- A higher proportion of clients who commenced using NES in more recent years (2014–2015) took a shorter time to achieve both their **first NES placement** and **sustainable placement** compared to those who commenced using NES in earlier years (2008–2009).
- Clients who used **retraining services** were slightly (1.13 times) more likely to achieve **NES placement**, compared to clients who did not use retraining services.
 - Of the clients who achieved placement with NES, 45% were retrained and of these 77.5% attained sustainable placements.
 - Of the clients who did not achieve NES placements, 41.5% were retrained.
- Clients who were **directly referred to NES** were slightly more likely to achieve **placement** (1.11 times) and **sustainability** (1.15 times), then those who were referred to NES following OES.

Factors associated with occupational rehabilitation service outcomes

OES

- The most important factors in achieving **OES placement** were: lack of use of psychiatric or psychological services, type of injury, location on body, and cause of injury.
- The most important factors in achieving **OES sustainability** were similar: lack of use of psychiatric or psychological services, location on body, type of injury, and hospital admission
- Regardless of type of injury (any physical or mental), the use of psychiatric or psychological services was strongly negatively associated with OES placement and sustainability.
- Characteristics of the injury (i.e. type, location and cause) were also very important for OES clients.

Direct NES

- Factors determined to be statistically associated with achieving **both placement and sustainability** for direct NES clients were age group, time to commencement, occupation and cause of injury.
- Clients with **mental injuries** were more likely to achieve **placement and sustainability** with direct NES compared to other types of injuries.
- The other most significant factor in determining NES placement and sustainability was **client age**. Time to commencement and occupation were also important.

NES following OES

- Factors significantly associated with achieving **both placement and sustainability** for NES following OES clients were age group, time to NES commencement, location on body and type of injury.

- Clients with **mental injuries** were more likely to achieve **placement and sustainability** with NES following OES compared to other types of injuries.
- The same factors appear important in determining placement for NES, regardless of whether the client had previously used OES: client age and time to commencement.

3.4.2 Implications

This report provided extensive analysis of WorkSafe claims with occupational rehabilitation services over a ten-year period. A number of findings demonstrate positive trends in OR service provision. These included an increase in OR services utilisation, an improvement in OR service timelines (including a reduction in time to commencement and time to first placement), and improvements in placement outcomes and their sustainability. Injured workers who commenced OR services more recently were not only more likely to find a placement, but were also more likely to find a placement in a shorter time. There was also reduced variation between WorkSafe Agents' performances in recent years, with data showing a more consistent and uniform approach to OR services provision over time.

Original employer services (OES) were the largest proportion of claims, and 73% of these are delivered in the first year after claim approval. **Claims that achieved OES placement had a shorter commencement time than claims that did not.** This was seen when all claims were analysed together and across all Insurance Agents and OR Providers. Therefore this is an important implication from this work.

- The faster OR services commenced, the better the outcomes for clients.

Over the study period, the average time to first OES placement decreased from 11 to 8 weeks, and the proportion of clients who achieved placement increased from 55% to 77%. **The largest proportion of clients who RTW through OES placements did so within 3 months after commencing OES and through gradual OES placement and achieved 100% pre-injury hours (PIH).** Clients who commenced OES in later years such as 2015 took a shorter time to achieve their first OES placement relative to earlier years.

By 2015, the proportion of OES clients who achieved placement sustainability had increased to 59%. However, there was an increase in the time it was taking to achieve sustainability. Placements were more likely to be sustainable where there was a shorter time to commencement, a shorter time to first placement, and placement type was gradual or directly 100% pre-injury hours. The successful and increasing use of gradual return to work may be related to the finding of increased time taken to achieve sustainability.

NES clients took longer to commence compared to OES clients (in 2016 time to commence was 91 weeks for direct NES and 131 weeks for NES following OES; compared to about 15 weeks for OES) and only a quarter of the NES services are provided in the first year. The time to commencement for both direct NES services and NES following OES had increased over the study period. The time from commencement to sustainable outcome also increased for both direct NES and NES following OES between 2008 and 2016. There is a clear need to reduce the time to commence NES services and provide support to achieve sustainability.

The bulk of OR services are delivered as OES. OES achieved successful outcomes (placement and sustainable placement) for two-thirds of clients. This was considerably more than for NES (either direct or following OES) where only one third of clients achieved successful outcomes.

Analysis of claims' factors associated with OR outcomes showed that claims' factors that were most significant for OES outcomes were the lack of use of psychiatric or psychological services, and injury related such as type of injury, location on body and severity shown by hospital admissions, while

factors most significant for NES outcomes were characteristics such as age, occupation and time to NES services commencement.

After adjusting for the significant factors, the odds of achieving placement and sustaining that placement were significantly lower if there had been use of psychiatric or psychological services and late hospital admission. This was seen in patients with primary and secondary mental health problems. Specifically for NES, odds of successful outcomes were lower if clients were aged over 55, or worked as intermediate production and transport workers or labourers. For OES, a longer time to commencing OR services, and having a mental injury were also associated with lower the odds of successful placement and sustainability.

The characteristics associated with significantly higher odds of achieving placement and sustaining that placement were younger client age, and no use of psychiatric or psychological services. Specifically for NES, odds for successful outcomes were higher if clients were younger and had a mental injury. A shorter stay in hospital, shorter time to commencing OR services, and working for a large employer were associated with higher odds of placement and sustainability for OES clients.

4. OVERVIEW OF FINDINGS AGAINST PROPOSED WORKSAFE INITIATIVES

From the strategic review several factors were identified that can inform WorkSafe’s Victoria’s future approach to OR and provide insight into the feasibility and likely success of approaches currently being considered for implementation. An analysis of the findings against key proposed WSV initiatives in terms of the level of support from stakeholders (injured workers, employers, agents and OR providers) and the level of evidence in practice is provided in Table 1. Overall, across the sector there was strong support for re-training, volunteer work, improving agent quality-decision making, early triage referrals as potentially facilitating positive OR and RTW outcomes.

Table 1. Overview of findings against key WorkSafe Victoria initiatives

Initiative	Level of support identified in study	Evidence in practice
OES assessment – splitting into phone initial assessment and workplace intervention/ergonomic assessment	●	●
Phone-based assessment particularly for major injuries	●	●
Early triaging of claims/ earlier identification of RTW and recovery pathways	●	●
Improving agent quality decision-making	●	●
Volunteer work as part of RTW rehabilitation, work trials and worker incentive payments	●	●
Multidisciplinary conferences for motivational interviewing	●	●
Motivational interviewing for RTW by phone	●	●
Facilitated conflict resolution discussion (mediation style)	●	●
New Employer Service – job-seeking coaching service	●	●
Re-training	●	●

Level of support	Description
●	No support for initiative discussed No evidence of approaches being used in current practice/ issue not discussed
●	No support for initiative Issue discussed but not supported by interviewees/ tested previously and found unsuccessful
●	Some support for initiative Some support for the initiative identified through discussion but not universally positive, mixed reports of success/some early application of initiatives into practice but no evidence of success
●	Medium support Medium level of support for the initiative identified through discussion, mostly positive/some examples of approaches in practice and some evidence of success
●	Strong support Strong support for initiatives identified through discussion with all /strong evidence of application of approaches in practice including strong evidence of success

5. IDENTIFIED FOCUS AREAS FOR IMPROVEMENT

Across the strategic review a number of key challenges and areas for improvement were identified in the management, delivery and receipt of OR services. This section provides an overview of these focus areas and Section 6 provides more detailed thematic analysis and recommendations to address these areas.

5.1.1 Management of OR services (WorkSafe Victoria, insurance agents, OR providers)

There were a number of challenges and opportunities identified in the project relating to the management of OR services. As the area where WorkSafe has the most direct influence, the majority of recommendations identified in Section 6 relate to the management level.

As detailed above, the Environmental Scan identified that the Victorian model of outsourcing both claims management and the provision of OR services provides some efficiencies in administration and simplifying the service pathway, however it can also result in challenges for the compensation authority in measuring the effectiveness of services, and limiting the capacity to tailor services for individual clients.

There were challenges identified for worker's compensation authorities and Agents in being able to assess whether the client receiving OR services is benefitting from them or not, or at what point of a claim to discontinue OR services.

A key finding relating to the management of OR services were challenges identified in measuring and assessing the effectiveness of the services. All WorkSafe Agents reported having their own measurement frameworks in place for OR providers, which were in addition to the frameworks applied by WorkSafe. This was recognised as having the potential to create competing or even conflicting goals for providers, as well as increasing the time spent reporting.

Another key challenge identified at the management level were the processes around client referral. The project clearly showed the benefits of early referral in achieving faster return to work outcomes for clients. There are opportunities to streamline referral pathways and to identify the clients which will benefit most from OR services. There were specific challenges identified in referring clients from OES to NES services. OR consultants reported that the referral pathways could be cumbersome and at times they felt that clients who would benefit from direct referral to NES were being disadvantaged by receiving having to receive OES services first.

5.1.2 Delivery of OR services (OR consultants, healthcare providers, employers)

There were some challenges reported relating to the delivery of OR services. WorkSafe does not have direct control over most of these factors, however through changes at the management level they can influence most.

Active participation from employers, healthcare providers and injured workers in the process of occupational rehabilitation was identified as a key factor for the effectiveness of the services. A number of the challenges identified by OR consultants and injured workers related to the flow of information between stakeholders in the system and the willingness to participate in meetings and conferences relating to the injured worker. Employer participation was identified as a key facilitator for return to work, for both OES and NES clients.

OR consultants reported challenges with the current incentives structures for their work, with many believing that current incentives disadvantage senior consultants and inhibit professional development. They believed this may contribute to the high turnover of consultant staff that was identified by a number of stakeholders as a key challenge in ensuring the quality of services.

5.1.3 Receipt of OR services (injured workers)

This project gathered some evidence from injured workers relating to their experiences in receiving OR services. One of the key challenges identified was a perceived lack of flexibility in the services injured workers received. Some reported that the rigidity of the system resulted in the provision of services that did not match their needs. There was mixed feedback from injured workers regarding their experience of OR services, however they reported positive experiences with consultants when they felt they were listened to, supported and offered tailored services that matched their needs.

6. THEMATIC SYNTHESIS AND RECOMMENDATIONS

6.1 Performance measures and incentives

One of the most consistent findings across the Environmental Scan and Quality Improvement Review was that the current performance measures and incentive structures for OR providers and consultants are mismatched with the primary goal of OR services, which is to support injured workers who need extra assistance to return to work as quickly as possible.

The Environmental Scan showed that the majority of compensation authorities interviewed used a full or quasi outcomes-based payment model or were transitioning to this type of model. Responses from WorkSafe Agents and OR providers indicated that both preferred outcome-based funding to fee for service payments, however they reported that there are both positives and negatives to incentive payments.

There were a number of unintended consequences from the current incentives structure reported across the projects. OR consultants reported that they believed workers were being referred to their services at inappropriate times, with the aim of meeting benchmark measures rather than acting in the best interest of the worker. Another unintended consequence reported was that experienced OR consultants were disadvantaged through the incentive structures as they were more likely to take on complex cases that required greater investment in time, and had a lower chance of resulting in sustained RTW. This disincentives professional development for consultants and may be a contributor to the high staff turnover rates reported by OR providers. OR consultants also reported instances where sustained return to work incentives were not paid as a result of a worker choosing to resign their position after being successfully supported to return to work. Consultants reported feeling penalised in these circumstances despite doing their job effectively.

The Environmental Scan presented a case study from the Department of Work and Pensions (DWP) in the United Kingdom, who after an extensive review of payment arrangements introduced in 2011 an outcome-based funding model which took into account the types of services delivered and the complexity of the case. This model resulted in an increase in the proportion of clients achieving a job outcome within 12 months. At the time of publication DWP were considering changing the calculation of client complexity to a more needs-based approach, which is a potential model for WorkSafe to consider.

All Agents reported that they use their own reporting and metrics to measure performance and OR providers described this as challenging, as these measures could contradict WorkSafe measures and create a significant administrative burden. WorkSafe's review of the OR provider service agreement provides an opportunity to standardise the tools used to measure performance.

Summary

- Current performance measures and incentive structures for OR providers and consultants are mismatched with the primary goal of OR services.
- OR consultants reported that they believed workers were being referred to their services at inappropriate times, with the aim of meeting benchmark measures rather than acting in the best interest of the worker.
- Experienced OR consultants were disadvantaged through the incentive structures as they were more likely to take on complex cases that required greater investment in time.
- Agents reported that they use their own reporting and metrics to measure performance and OR providers which could contradict WorkSafe measures and create a significant administrative burden.

Recommendations

1. Review current system measures and benchmarks for both Agents and OR providers to ensure they are driving behaviours that maximise client RTW outcomes.
2. Consider measures and incentives that fairly reward OR consultants for case complexity and encourage professional growth.
3. Align measures used by WorkSafe and Agents to measure OR provider performance.

6.2 Early and targeted referral

Early referral to OR services was identified across all reports in the strategic review as key to facilitating timely return to work. The Evidence Review found support in the scientific literature for early contact (within 2–4 weeks after injury) being a key component of successful return to work interventions. Early referral to OR services was identified as a key facilitator to return to work by Agents, OR providers and consultants. This was also supported by the analysis of WorkSafe claims data which concluded that the faster OR services commenced, the better the outcomes were for the clients.

Mobile case management was identified in the review as an effective strategy for enabling early contact with injured workers. Close to two thirds of OR consultants interviewed noted improvements in the workers' compensation claims process in the previous year, and a number specifically highlighted mobile case management as a key improvement. ReturnToWorkSA also operate a mobile case management approach with early referral (24–48 hours) and reported a reduction in the premium rate paid by employers from 2.75% to 1.95% since this has been implemented. WorkSafe is currently evaluating the effectiveness of its Agent's mobile case management processes and continuing to improve this service is a key facilitator to early referral.

A number of compensation bodies in Australia and internationally are exploring methods of screening clients and providing targeted intervention and this strategic review presented opportunities for WorkSafe to use the findings to enhance their tailoring of OR services. The analysis of WorkSafe claims data identified some of the individual characteristics associated with work placement. The highest percentage of placement was achieved by claimants between 15–24 years of age (79% OES, 40% direct NES and 54% NES after OES). A key finding in the data analysis was that although clients with mental injury had a lower percentage rate of placement using OES (52%) compared to other injury types, they had a higher rate of placement through direct NES (35%) and NES after OES (42%). This is supported by qualitative evidence that indicated workers with mental injury may be unwilling to return to their original employer, particularly when they have experienced bullying and/or harassment, and would likely benefit from direct referral to NES.

Summary

- Early referral to OR services was identified as a key facilitator for return to work.
- Mobile case management was identified in the review as an effective strategy for enabling early contact with injured workers.
- Evidence from the data analysis can be used to inform client screening approaches.
- Although clients with mental injury had a lower percentage rate of placement using OES (52%) compared to other injury types, they had a higher rate of placement through direct NES (35%) and NES after OES (42%).

Recommendations

4. Facilitate early referral to OR services with a focus on improving mobile case management.
5. Consider the development of client screening approaches to identify the injured workers most likely to benefit from OR services.
6. Review eligibility and referral requirements for NES services, particularly for mental health claims.

6.3 Information flow between stakeholders

A key area for potential improvement in the delivery of OR services identified in the research was information flow between stakeholders in the system. The Evidence Review found strong support in the scientific literature for the coordination of recovery and RTW, which was shown to reduce the time to RTW for workers with musculoskeletal injuries. The evidence of its effectiveness in reducing time to RTW for mental injuries was less clear. There was also support in the scientific evidence for a collaborative approach to RTW involving a clear RTW plan and periodic case conferencing.

This evidence aligns well with the qualitative data in the Quality Improvement Review. Agents, employers and injured workers all consistently described the role of OR consultants, particularly the role they play as a coordinating point between the various stakeholders involved in RTW. When OR consultants were engaged they were reported as being “the face of the claim” for a number of stakeholders and this aligned with the scientific evidence that indicated the value of having a primary contact person to assist injured workers with navigating the system.

Despite a recognition of this coordination role, and a willingness to perform it, many OR consultants reported being hindered by disrupted information flow between stakeholders. Consultants reported difficulty in obtaining information from Agents, healthcare providers and employers. More frequent case conferencing was identified in the scientific and qualitative evidence as a potential facilitator for better communication between stakeholders.

Both the evidence in the scientific literature and qualitative data indicated the importance of employer engagement in the success of OR services. Employers reported being generally satisfied with the service received by OR providers and a number reported the value of consultants acting as a buffer between them and the injured worker, and assisting in the implementation of RTW plans.

Evidence also highlighted the value of OR consultants having an allied health background as this was reported to give them greater credibility in their interactions with healthcare providers.

Summary

- Multiple stakeholders involved in the OR services reported being hindered by disrupted information flow.
- More frequent case conferencing was identified in the scientific and qualitative evidence as a potential facilitator for information flow between stakeholders.
- Employer engagement was identified as a key factor for the success of OR services.

Recommendations

7. Promote initiatives that enable the sharing of information between stakeholders such as case conferencing.
8. Explore opportunities to provide information to injured workers through channels other than formal letters.

6.4 Flexibility and injured worker involvement

A lack of flexibility in the delivery of OR services was identified as a challenge for OR providers, consultants and injured workers. Consultants reported they were hindered in their capacity to provide tailored support to clients by restrictive eligibility criteria, particularly for NES referrals. As highlighted above, the qualitative evidence and data analysis suggested benefit in providing greater flexibility in direct referral to NES services for workers with mental injury.

Many consultants reported being overruled by claims managers in service recommendations for their clients. This was a source of considerable frustration for OR consultants who were working closely with injured workers and believed they had a good understanding of what was required for their timely return to work.

The qualitative evidence indicated that in Victoria injured workers are passive recipients of OR services and one of the few choices they are given is the initial choice of provider. It was reported that a lack of injured worker involvement in the delivery of OR services can lead to a mismatch of service to need.

The Environmental Scan found that this can be a particular challenge in OR management models where both the case management and OR service provision are outsourced, as this creates a number of levels of administration between key decision makers and the injured worker. The Environmental Scan highlighted the model of OR assessment operated by the Accident Compensation Corporation (ACC) in New Zealand, which involved extensive engagement with the injured worker and gave them the opportunity to provide feedback on potential job opportunities and their career goals and aspirations. The ACC model was the only one identified where the injured worker was required to formally approve their OR assessment and this has the potential to minimise time loss and the frustration of the injured worker being offered unsuitable or unwanted opportunities.

Summary

- A lack of flexibility in the delivery of OR services was identified as a challenge for OR providers, consultants and injured workers.
- Consultants reported they were hindered in their capacity to provide tailored support to clients by restrictive eligibility criteria, particularly for NES referrals. OR consultants reported frustration at having their client recommendations rejected by Agents.
- Injured workers in Victoria are passive recipients of OR services and their lack of involvement in decision making can lead to a mismatch of service to need.

Recommendations

9. Provide a mechanism for OR consultants to give feedback and recommendations on the services and treatments delivered to their clients.
10. Explore opportunities for greater engagement with injured workers in the OR assessment process.

6.5 Stigma toward injured workers

A clear finding from this project was that there remains considerable stigma toward injured workers who access benefits through workers' compensation, particularly for those with mental injury. Findings from the Quality Improvement Review indicate that the stigma of being on workers' compensation permeates throughout the system, with several injured workers reporting experiencing discrimination with new employers and their existing employers as a result of their claim.

The majority of employers surveyed in the Quality Improvement Review somewhat acknowledged the existence of this stigma and that it may be a barrier to workers achieving new job placement. Injured workers reported this stigma was especially prevalent for those receiving NES. Some injured workers believed they would not be able to get another job because they had a workers' compensation claim and evidence from the Environmental Scan showed workers hiding the fact that they had submitted a claim through workers' compensation, as they thought it would lower their chances of achieving work placement.

Employers who represented small organisations indicated that they would be particularly cautious in hiring who had had a workers' compensation claim. Responses from medium to large employers were more mixed with some pessimistic of the chances of WorkSafe claimants finding new jobs, while others reported that it was dependent on the injury type.

While stigma was reported towards all workers' compensation claimants, it was particularly prevalent toward workers with mental injury. Both the Quality Improvement Review and Environmental Scan reported evidence that employers were reluctant to hire workers with mental injury.

This evidence all suggests that stigma toward compensation claimants continues to be a barrier which impacts the effectiveness of OR services and may be a factor in the lower rate of NES placement shown in the data analysis. There is an opportunity for WorkSafe to continue its efforts to eliminate this kind of stigma and create more employment opportunities for injured workers.

Summary

- There remains considerable stigma toward injured workers who access benefits through WorkCover, particularly for those with mental injury. This stigma can impact the likelihood of workers achieving placement through NES.
- Employers indicated a reluctance to hire workers who had a workers' compensation claim and this may have contributed to the lower rates of NES placement, compared with OES.

Recommendations

11. Invest in programs to target stigma associated with accessing workers' compensation.

7. INSIGHTS

This strategic review identified a range of evidence that supported the use of occupational rehabilitation services to facilitate return to work for injured workers. Key components of successful OR services identified were:

- early and targeted referral
- communication and coordination between stakeholders
- flexibility and tailoring in the delivery of services.

Qualitative evidence and analysis of WorkSafe claims data revealed that a number of components of the system are operating well and there have been improvement in OR service performance in recent years. Of particular note, two thirds of OR consultants also reported improvements in WorkCover claims processes in the previous 12 months, particularly earlier referral as a result of mobile case management approaches.

A key focus area for WorkSafe should be ensuring that the measures and benchmarks set for Agents and OR providers are incentivising behaviour that promotes client RTW outcomes, and do not result in unintended consequences. The strategic review has identified potential models to help inform this approach, with a focus on recognising and rewarding case complexity. An incentive structure which rewards experience and professional development could also improve the current high level of turnover among OR consultants, which was identified as a significant challenge for providers in the review.

WorkSafe's review of OR services also presents an opportunity to align the measures used by WorkSafe and Agents, to ensure they not contradictory or creating unnecessary administrative burden for providers.

Some of the most significant findings in the strategic review related to the management of mental injury claims, which is a key focus of WorkSafe's *Strategy 2030*. Analysis of WorkSafe claims showed that OR consultants would benefit from greater flexibility in their management of clients with mental injury, and that direct referral to NES may be a better option for many of these clients. The qualitative evidence supported these findings, suggesting that workers who have experienced significant stress or bullying and harassment are unlikely to want to return to their original employer. Further evidence suggested a reluctance from employers to hire workers on WorkCover, particularly those with mental injury, indicating that reducing stigma toward compensation claimants remains an important strategy for improve OR outcomes.