

SIRA

Treasury Management Fund Claims File Review

Appendix 1

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1. Executive summary

1.1.1. Background

The primary objective of the Treasury Managed Fund (TMF) review is to assess whether workers compensation activities within the TMF NSW government employers are being conducted in accordance with NSW workers compensation legislation, standards, and best practice expectations. A further objective is to evaluate the relationship between government employers, the NSW Self Insurance Corporation (SICorp)/Insurance and care NSW (icare) and their claim service providers (CSPs) in the conduct and administration of workers compensation claims.

The TMF claims file review forms an appendix to the broader Treasury Managed Fund review report and the findings inform the report's suggested courses of actions.

The review assessed 951 workers compensation claims files for conformance against review criteria across all NSW Government clusters¹. The criteria were developed to incorporate key obligations of the workers compensation legislation and expectations set out in the Standards of Practice (SOPs) that lead to better outcomes on claims and for workers. Thirty-five review audit criteria were established across six categories being claims management engagement, injury management planning, return to work strategy, claims liability decisions, customer service conduct and employer actions.

Claims selected for review were entered into insurer systems in the 2019 to 2022 financial years and selected in accordance with a risk and outcomes based methodology, resulting in a sample that was weighted by psychological injury claims, claims entering the system in recent calendar years and TMF clusters with a higher number of more complex claims. To ensure that the most recent practices were assessed, the review period was limited to claims activity occurring between 1 January 2022 to 31 December 2022.

Claims Service Providers (CSPs) Allianz, EML and QBE are contracted by SICorp/icare to manage claims across the clusters.

For the purposes of this review, having consideration to claim sample sizes, findings are presented individually for the Education, Health and Stronger Communities clusters, while all smaller clusters are grouped together as 'Other'. For claims sample allocation by cluster, see Table C at 3.1.3 Methodology, page 8.

1.1.2. Key findings of the review

The review was designed to assess Claim Service Providers' conformance against the review criteria, how they manage claims within the NSW Government clusters and whether there was a difference in conformance between the management of psychological injury claims compared to non-psychological injury claims.

Key findings are presented as averages (not weighted) for each of the review criteria within each category. Averaged total conformance finding for each review category are summarised in the following Table A. Detailed findings of conformance against review criteria are found in section 5 of the report.

Table A: Total conformance percentage by review category and injury type

Category	Psychological Injury claims (%) ²	Non-psychological Injury claims (%)
Claims management engagement	82	85
Return to work strategy	76	78
Injury management planning	60	63
Claims liability decisions	91	88
Customer service conduct	80	93
Employer actions	76	78

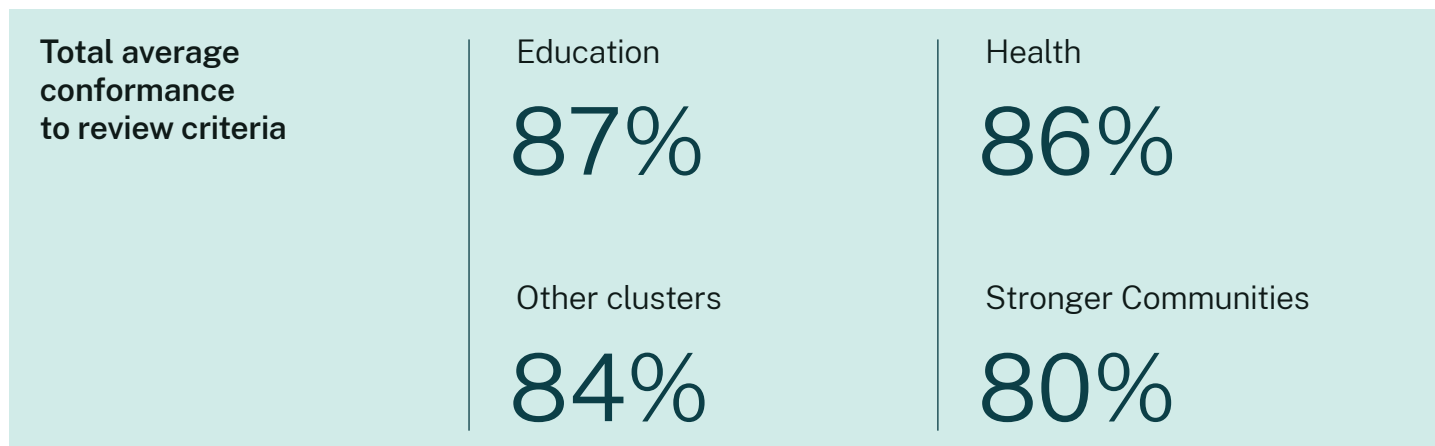
¹ At the time the review commenced, the NSW government sector was divided into ten operational clusters. Approximately 200 government employers were grouped within these clusters. SIRA acknowledges that the NSW Government is transitioning away from the cluster model.

² Percentages are calculated on relevant records, that is where a conformance or non-conformance ('yes' or 'no') finding was determined.

1.1.3. Key findings by clusters

Claim file review findings are presented for Education, Health, Stronger Communities, and all other clusters are grouped together as 'Other' due to the cluster claim sample sizes.

The key findings are:



- Review criteria measuring conformance with ongoing contact and support from CSPs with workers produced a lower result compared with those for early contact and support with workers. The result for early, supportive contact was highest for Other clusters (100%), then Education and Health (98%) and Stronger Communities the lowest (91%). For ongoing support for workers, Education scored highest (95%), then Stronger Communities (88%), Health (81%) and Other clusters the lowest (64%).
- Review criteria measuring conformance with how CSPs undertook assessment of risks for delayed recovery and return to work and implementing actions, found the average result was highest for Education (82%) then Other clusters (84%), then Health (79%) and the lowest result for Stronger Communities (73%).
- Review criteria measuring conformance with liability decisions found that:
 - For full liability decisions, the average result was highest for Other clusters (100%), then Health (92%), then Education (88%) and the lowest result for Stronger Communities (82%).
 - For provisional liability decisions, the average result was highest for Other clusters (100%), then Health (98%), then Education (90%) and the lowest result for Stronger Communities (85%).
 - Results for reasonably excused liability decisions were the lowest for this category. The average result was highest for Other clusters (100%), then Health (84%), then Education (82%) and the lowest result for Stronger Communities (79%).
 - For medical expense liability decisions, the average result was highest for Education (97%), then Stronger Communities (93%), then Health (88%) and the lowest result for Other clusters (87%).
- Review criteria measuring conformance with employers' notification of injury requirements to their CSP, found the average result was highest for Stronger Communities (81%) then Other clusters (76%) and the lowest result jointly for Education (68%) and Health (68%).
- Review criteria measuring conformance with employers providing suitable work or having a documented valid reason not to do so, found the average result was highest for Other clusters (100%) then Education (94%) then Health (93%) and the lowest result for Stronger Communities (91%).

1.1.4. Key findings by CSP

Claim file review findings are presented by the three CSPs responsible for managing claims.

Total average conformance to review criteria	Allianz 89%	QBE 83%	EML 81%
Total average injury management planning conformance	Allianz 59%	QBE 58%	EML 42%

- Review criteria measuring conformance with ongoing contact and support from CSPs with workers, employers and treating doctors, produced lower results than for early contact. The average results found Allianz was the highest (91%), QBE was second (83%), and lowest result was for EML (78%).
- Review criteria measuring conformance with how CSPs undertook assessment of risks for delayed recovery and return to work and implementing actions to address risks, found the average result was highest for Allianz (83%) then QBE (79%), and the lowest result was for EML (74%).
- Review criteria measuring conformance with liability decisions showed that:
 - For full liability decisions, the average result was highest for QBE (98%), then Allianz (96%) and the lowest result was for EML (93%).
 - Results for provisional liability decisions were lower than for full liability decisions. The average result was highest for QBE (89%) and Allianz (89%) and the lowest result was for EML (83%).
 - Results for reasonably excused liability decisions were the lowest for this category. The average result was highest for QBE (84%), then Allianz (79%) and the lowest result was for EML (73%).
 - For medical expense liability decisions, the average result was highest for Allianz (96%) then EML (92%), then and the lowest result was for QBE (88%).
- Review criteria measuring conformance with employers providing suitable work or having a documented valid reason not to do so, found the average result was highest for QBE (95%), then Allianz (94%) and the lowest result was for EML (91%).

The results for Clusters and CSPs together show that claims managed by Allianz for Education had highest conformance results to the review criteria and claims managed by EML for Stronger Communities had the lowest conformance results to the review criteria.

1.1.5. Key findings for psychological and non-psychological injuries

The following results were identified for psychological injury claims and non-psychological injury claims:

- The total average result for conformance to the review criteria was 83% for both psychological injury claims and non-psychological injury claims.

Findings by cluster:

Education:



The overall average result for conformance with review criteria was higher for psychological injury claims (89%) than non-psychological injury claims (88%).

For psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for reasonably excused claims
- lowest scores were for injury management plan reviews (IMP) (50%) and IMP requirements (53%).

For non-psychological injury claims:

- highest scores were for resolving complaints (100%) and gathering evidence for subsequent liability decisions (100%)
- lowest scores were for IMP reviews (54%) and IMP requirements (60%).

Health:



The overall average result for conformance with review criteria was lower for psychological injury claims (83%) than non-psychological injury claims (87%).

For psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for fully accepted claims
- lowest scores were for IMP reviews (49%) and timely notification of injuries (57%).

For non-psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for fully accepted claims
- lowest scores were for IMP reviews (57%) and notice requirements for reasonably excused claims (60%).

Stronger Communities:



The overall average result for conformance with review criteria was 80% for both psychological injury claims and non-psychological injury claims.

For psychological injury claims:

- highest scores were for gathering evidence for a permanent impairment claim (97%) and notice requirements for fully accepted claims (96%)
- lowest scores for were for IMP reviews (39%) and IMP requirements (45%).

For non-psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for permanent impairment claims
- lowest scores for injury management plan (IMP) requirements (38%) and IMP reviews (40%).

Other smaller clusters:

The overall average result for conformance with review criteria was higher for psychological injury claims (87%) than non-psychological injury claims (83%).

For psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for reasonably excused claims
- lowest scores were for IMP reviews (51%) and maintaining contact with the worker (54%).

For non-psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for reasonably excused claims
- lowest scores were for maintaining contact with the worker (54%) and maintaining contact with the employer (43%).

Similar findings are shown by CSPs:

Allianz:

The overall average result for conformance with review criteria was higher for psychological injury claims (91%) than non-psychological injury claims (84%).

For psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for reasonably excused claims
- lowest scores were for IMP reviews (51%) and IMP requirements (54%).

For non-psychological injury claims:

- highest scores were for resolving complaints (100%) and gathering evidence for subsequent liability decisions (100%)
- lowest scores were for conformance to criteria for making decisions on time (27%) and notice requirements (27%) for reasonably excused claims.

QBE:

The overall average result for conformance with review criteria was lower for psychological injury claims (82%) than non-psychological injury claims (85%).

For psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for fully accepted claims
- lowest scores were for IMP requirements (55%) and IMP reviews (55%).

For non-psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for reasonably excused claims
- lowest scores were for notice requirements for reasonably excused claims (50%) and IMP reviews (56%).

EML:

The overall average result for conformance with review criteria was 81% for both psychological injury claims and non-psychological injury claims.

For psychological injury claims:

- highest scores were for notice requirements for fully accepted claims (95%) and notice requirements for a permanent impairment claim (96%)
- lowest scores were for IMP reviews (36%) and IMP requirements (46%).

For non-psychological injury claims:

- highest scores were for gathering evidence (100%) and making decisions on time (100%) for permanent impairment claims
- lowest scores were for injury management plan (IMP) requirements (40%) and IMP reviews (44%).

1.1.6. Key observations

The following observations whilst outside the scope of the review criteria, have relevance to key findings:

- Frequent changes in claims manager appeared to be particularly challenging for workers with psychological injury claims.
- It was common practice for psychological injury notifications to be referred for legal advice when claims managers had sufficient information to make an informed decision. This was seen to incur unnecessary activity and costs on the claim and was not observed with non-psychological injury notifications.
- Similarly, it was also common practice to request factual investigations and independent medical examinations early in psychological injury claims, which may have an impact on establishing early empathetic engagement with workers.

2. Introduction

The objective of the NSW workers compensation system is to **secure the health, safety and welfare of workers** by preventing work injury. It should provide necessary treatment, management of work injuries, compensation and promote return to work within a fair, affordable and sustainable system³.

The State Insurance Regulatory Authority (SIRA) is the regulator of workers compensation insurance in NSW and its functions include responsibility for ensuring compliance with workers compensation legislation and day to day operational matters relating to the workers compensation scheme.

The TMF is a government managed fund scheme, administered by the NSW Self Insurance Corporation (SICorp). At the time of the review, the TMF funded the workers compensation insurance liabilities of ten Government clusters (deemed to be self-insurers for workers compensation). Approximately 200 government employers were grouped within these clusters, covering over 350,000 workers.

Insurance and Care NSW (icare) administers the TMF on behalf of SICorp and provides workers compensation claims management services through arrangements with three third party claims service providers (CSPs), Allianz, EML and QBE.

SIRA committed to undertake a review of performance and compliance of claims management across NSW Government employers and commenced an assessment of approximately 1000 claims files across all clusters which commenced initially with a review of 100 Corrective Services NSW (CSNSW) files in late 2022 and continues with this review which involves assessment of 951 workers compensation claim files.

The TMF Claims file review forms an appendix to the broader Treasury Managed Fund review report and the findings inform the report's suggested courses of actions.

³ Section 3, Workplace Injury Management and Workers Compensation Act 1998

3. About the claims file review

3.1.1. Objectives

The primary objective of the review is to assess whether workers compensation activities within the TMF clusters are being conducted in accordance with NSW workers compensation legislation, standards of practice (SOPs) and best practice expectations.

A further objective is to evaluate the relationship between government employers, SICorp/icare and their claim service providers (CSPs) in the conduct and administration of workers compensation claims.

3.1.2. Scope

The scope of the review is in accordance with the TMF Review Terms of Reference⁴ and **assessed 951 workers compensation claims files for conformance** against review criteria which incorporated obligations under the workers compensation legislation and expectations set out in SIRA's Guidelines and SOPs.

The claims sample enabled comparison between the management of psychological injury claims compared to non-psychological injury claims.

To ensure that the most recent practices were assessed, the review period was limited to claims activity occurring between 1 January 2022 to 31 December 2022.

3.1.3. Methodology

SIRA used claims data available to them to review 951 active⁵ TMF NSW claims as at January 2023. Data was drawn from claims with a 'date entered in insurer system' (DEIS) in the financial years ending 2019 to 2022 inclusive.

A risk and outcomes-based approach was used when selecting claims for the sample with a risk weighting applied to include:

- claims from the review period 2019 to 2022
- a greater representation of claims made in the 2021-22 financial year
- greater representation of psychological injury claims
- a greater representation of claims from the larger clusters.

A breakdown of the sample is shown in Table B.

Table B: Claim sample breakdown by financial year and injury type

Financial year	Physical injury claims	Psychological injury claims	Total
2018-19	21	30	51
2019-20	27	31	58
2020-21	86	112	198
2021-22	302	342	644
TOTAL	436	515	951

Three CSPs, Allianz, EML and QBE, are contracted by SICorp/icare to manage claims across the TMF clusters. For this review, due to the claim sample sizes, findings are presented individually for the Education, Health and Stronger Communities clusters and all smaller clusters are grouped together as 'Other'.

⁴ SIRA TMF Review Terms of Reference

⁵ Claims were 'active' in the calendar year 2022, when a transactional payment was reported.

The following table shows the breakdown of where CSPs manage claims across the clusters and the number of claims that were reviewed.

Table C: Claims sampled by cluster

Cluster	Allianz	EML	QBE
Education	243		
Health		88	155
Stronger Communities (NSW Police & Fire & Rescue)		329	
Stronger Communities (Justice & Communities)			55
Other smaller clusters: (Transport, Planning Industry & Environment, Customer Service, Treasury, Regional NSW, Enterprise Investment & Trade, Premier and Cabinet)	40	10	31
Total	283	427	241

3.1.4. Review criteria

To establish the review criteria, key obligations of the workers compensation legislation and expectations set out in the SIRA's Guidelines and SOPs were selected. These focus on producing better outcomes for workers and designed to measure the conformance by CSPs within the current framework that operates to manage claims.

Thirty-five criteria were developed grouped into six categories. The criteria are summarised in **Table D**:

Table D: Review criteria summary

Category	Criteria summary
Claims management engagement	Early contact and ongoing support to workers as well as appropriate and regular contact with relevant stakeholders.
Return to work strategy	Identification of risks of delayed recovery and return to work
Injury management planning	Injury management plans have been developed with collaboration, they are tailored to the worker's needs and drive their return-to-work goals
Claims liability decisions	Decisions were appropriate, within legislative timeframes and workers were given correct advice
Customer service conduct	Complaints were resolved in line with SIRA's customer service conduct principles
Employer actions	Employers are notifying injuries promptly, providing ongoing support and return to work activities and are not influencing inappropriate decisions on a claim.

The full list of criteria and the number of claims applicable to each criterion can be found at **Appendix A**.

3.1.5. Review approach

The review was undertaken by a team from within SIRA, and examined relevant documents, file notes and correspondence on each claim file held by the CSPs on their claims management systems.

The criteria were applied only to claims activity in the 2022 calendar year. This means not all criteria were relevant for the claims reviewed. Where results are expressed as a percentage, they represent a percentage of the claims for which that criterion was applicable, and a finding was recorded.

A set of guidance notes were established detailing the relevant legislation, guidance or standard of practice applicable to each criterion and the benchmarks and the evidence required to be demonstrated to achieve conformance.

Throughout the review, where non-conformances were found for criteria that are a legislative requirement, the findings were submitted to the relevant CSP for validation. This provides an opportunity for the CSP to provide comment and further evidence to be considered by SIRA prior to the final conformance decision being made. SIRA did not require CSPs to validate suspected standard of practice non-conformances due to their status as guidelines and best practice expectations, rather than legal obligations.

Weekly meetings were held between SIRA, icare and CSPs to ensure transparent communication channels were maintained for feedback and comment during the review.

3.1.6. Risk of harm

In planning the review, SIRA acknowledged that there may be instances when a claim file being reviewed demonstrated issues that presented either an actual or potential risk of harm to the injured worker, requiring immediate escalation and action.

Accordingly, SIRA developed a process whereby these matters were escalated to the SIRA Insurer Supervision directorate for assessment and further action with icare or the CSP.

Over the course of the claim file review, SIRA referred 14 claims to the Insurer Supervision directorate, with the following outcomes:

- two referrals to icare for delays in determining liability for psychological injury claims, which resulted in liability decisions being made. SIRA is now investigating these matters for potential regulatory action
- ongoing monitoring of 12 claims by SIRA
- where a potential legislative breach was identified during the claims file review, consideration will be given to further investigation for possible regulatory action.

4. Reference material

4.1.1. Legislation

- *Workers Compensation Act 1987* ('the 1987 Act')
- *Workers Compensation Act 1987* (historical version)
- *Workplace Injury Management and Workers Compensation Act 1998* ('the 1998 Act')
- *Workers Compensation Regulation 2016* (the Regulation)
- *NSW Self Insurance Corporation Act 2004* (SIC Act)
- *State Insurance and Care Governance Act 2015* (NSW) (SICG Act).

4.1.2. SIRA guidelines and standards

- *Workers Compensation Guidelines* ('the Guidelines')
- *SIRA Standards of practice* ('the Standards' or 'SOP')
- *NSW workers compensation guidelines for the evaluation of permanent impairment*
- *Guidelines for workplace return to work programs*
- *SIRA customer service conduct principles*

5. Review criteria conformance results

The findings report on conformance against the review criteria for each category and individual criterion. Each category and their criteria can be found in **Appendix A**.

The relevant legislative and/or SIRA SOPs and how and where they apply is described for each criterion.

Findings are presented individually for the Education, Health and Stronger Communities cluster and all smaller clusters grouped together as 'Other'.

5.1. Claims management engagement



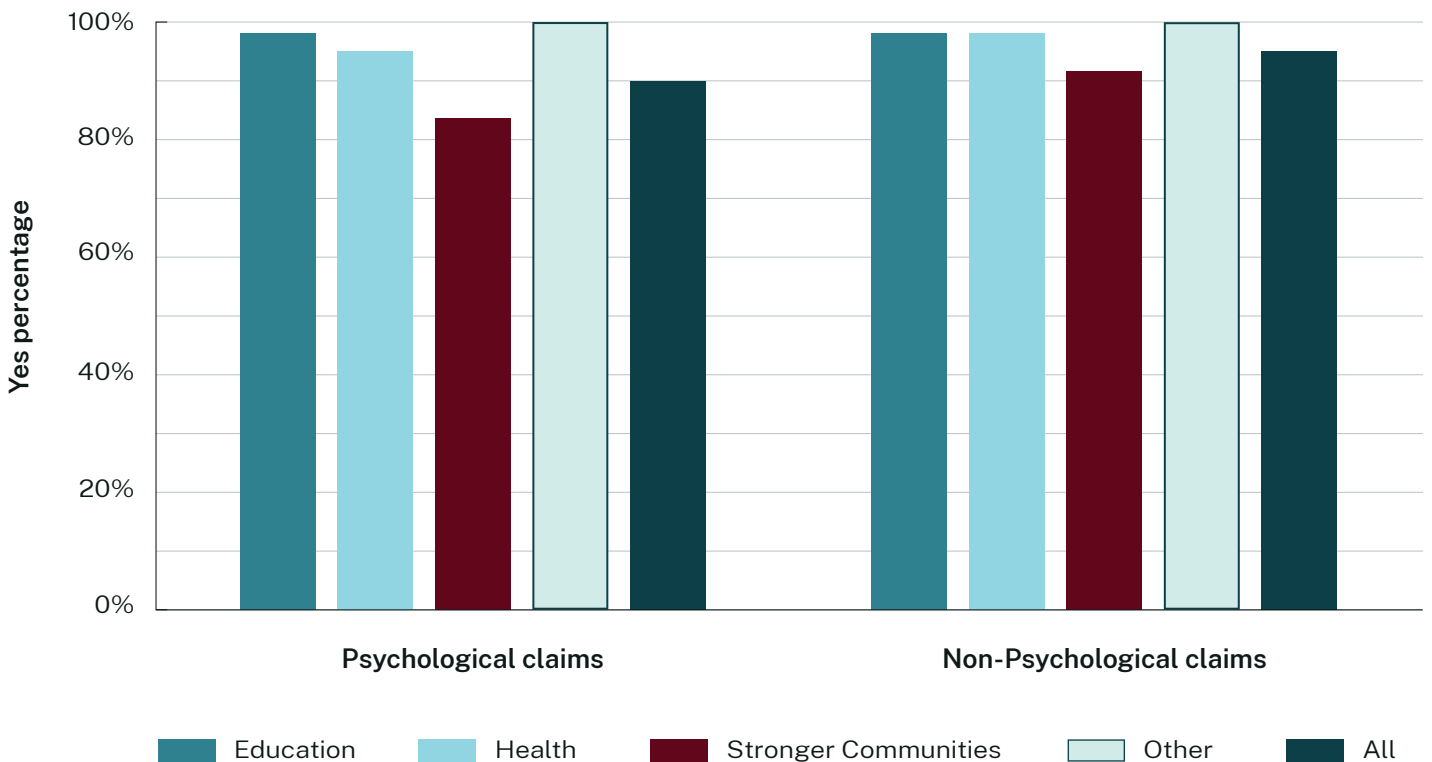
This category consisted of four criteria measuring early and ongoing contact and support.

5.1.1. Criterion A1: Did the insurer make early, supportive contact with the worker?

Category	Legislative and/or SOP reference	Where applicable to the criteria
Legislation	Section 43 (4) 1998 Act	Requires early contact to be made within 3 working days of a notification of a significant injury, by the CSP with the worker.
SIRA SOPs	SOP 34: Return to work -early intervention	Expects that contact should be supportive and understand individual circumstances and clarify rights and obligations of the worker, employer and providers.
	SOP 33: Managing psychological injury claims	Additionally for psychological claims, expects an empathetic and tailored communication to minimise conflict and delay to recovery and return to work.

The conformance results for criterion A1 are shown in **Figure A**:

Figure A: Did the insurer make early, supportive contact with the worker?



For psychological injury claims, the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (98%) and Health (95%), with lowest result in Stronger Communities (84%).

For non-psychological injury claims, the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (98%) and Health (98%) with lowest result in Stronger Communities (92%).

Where conformance with the criterion was not demonstrated, it was found that:

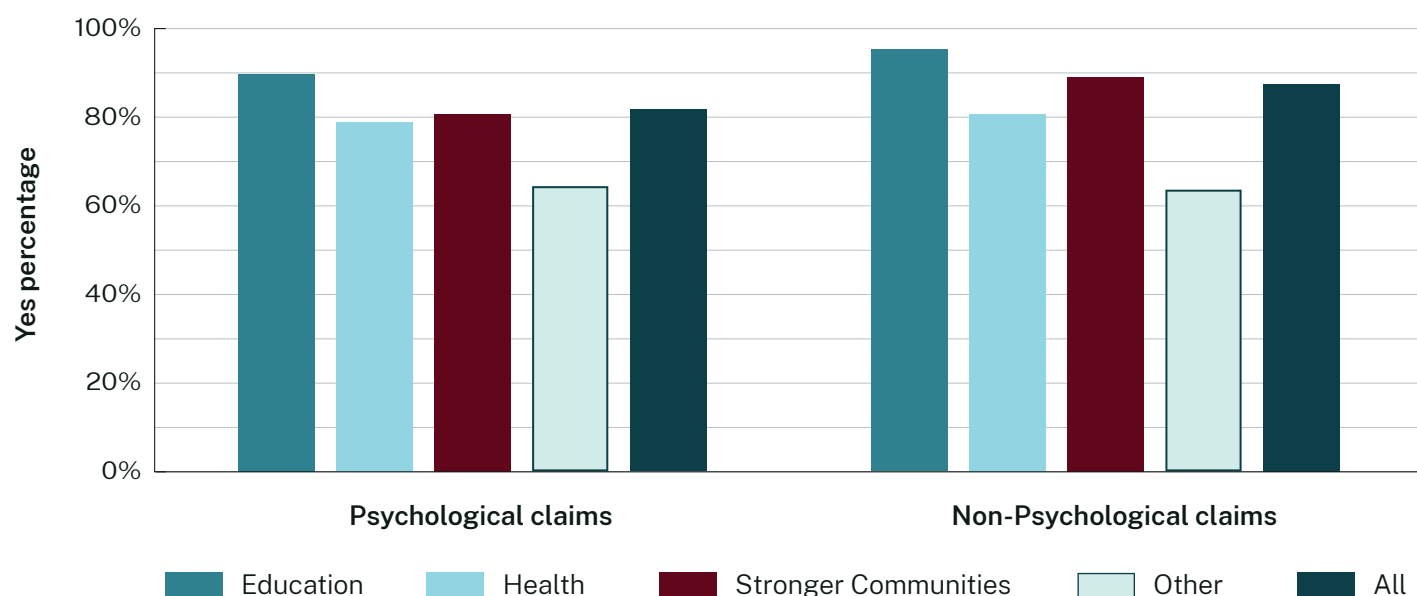
- the contact made was not supportive
- worker input was not requested
- there was a lack of focus on early treatment, recovery and return to work
- empathy not demonstrated.

5.1.2. Criterion A2: Did the insurer maintain contact with the worker and make contact at relevant times and milestones on the claim?

Category	Legislative and/or SOP reference	Where applicable to the criteria
Legislation	None	None
SIRA SOPs	SOP 34: Return to work -early intervention	Expects that frequency and method of contact are agreed and tailored and included information about risks, goals and work.
	SOP 33: Managing psychological injury claims	Additionally for psychological claims, expects a collaborative and empathetic and tailored communication approach to be applied.

The conformance results for criterion A2 are shown in **Figure B**:

Figure B: Did the insurer maintain contact with the worker?



For psychological injury claims, the highest result for conformance with this criterion was in Education (90%), then Stronger Communities (81%), Health (79%) with lowest result in Other smaller clusters (64%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Education (96%), then Stronger Communities (89%), Health (81%) with lowest result in Other smaller clusters (64%).

Where conformance with the criterion was demonstrated, it was found that:

- contact and support was empathetic with the worker
- CSPs built a rapport and showed genuine care with the worker.

Where conformance with the criterion was not demonstrated, it was found that:

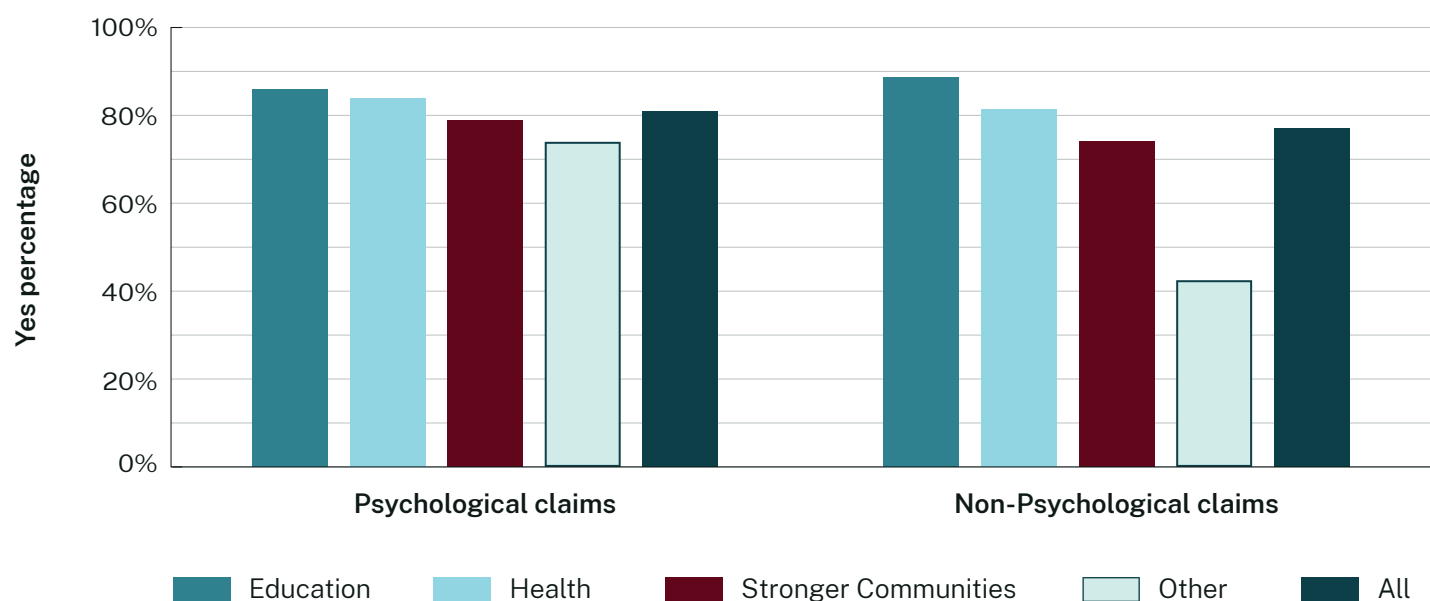
- contact was not maintained at relevant milestones
- contact was not made for significant periods of time.

5.1.3. Criterion A3: Did the insurer make and maintain regular contact with employer?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 43 (4) 1998 Act	Requires early contact to be made within 3 working days of a notification of a significant injury, by the CSP with the employer.
SIRA SOPs	SOP 34: Return to work-early intervention	Expects that the CSP supports employers to: <ul style="list-style-type: none"> • facilitate a supportive relationship between the employer and the worker • understand and meet their workers compensation obligations • identify and provide suitable work • access services required to address work related barriers.
	SOP 33: Managing psychological injury claims	Additionally for psychological claims, expects early contact with the employer to encourage and support ongoing constructive engagement between the employer and the worker and to focus on return to work.

The conformance results for criterion A3 are shown in Figure C:

Figure C: Did the insurer make and maintain contact with the employer?



For psychological injury claims, the highest result for conformance with this criterion was in Education (86%), then, Health (84%), Stronger Communities (79%) with lowest result in Other smaller clusters (74%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Education (89%), then Health (81%), Stronger Communities (75%), with lowest result in Other smaller clusters (43%).

Where conformance with the criterion was demonstrated, it was found that contact with the employer was maintained through:

- discussions about the workers recovery and available suitable work
- collaboration to address risks and barriers to achieving return to work goals.

Where conformance with the criterion was not demonstrated, it was found that:

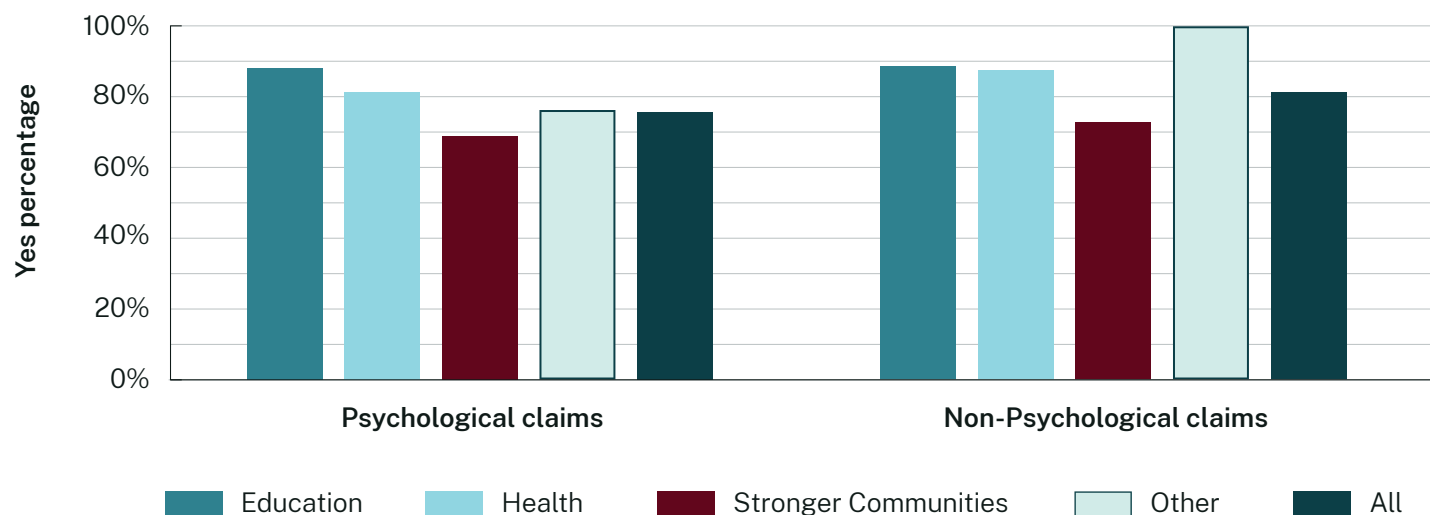
- contact was limited to every 6 to 12 months
- discussions were limited to liability decisions, change in case manager or closure of a claim only.

5.1.4. Criterion A4: Did the insurer have relevant and appropriate contact with the worker's treating doctor and/or specialist?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 43 (4) 1998 Act	Requires where appropriate and reasonably practicable, contact to be made within 3 working days of a notification of injury, by the CSP with the worker's treating doctor.
SIRA SOPs	SOP 34: Return to work -early intervention	Expects that contact should: <ul style="list-style-type: none"> • exchange information about risks to delayed recovery, goals and work • monitor the worker's response to treatment, and • liaise with providers if treatment is not contributing to the worker's goals and outcomes.
	SOP 33: Managing psychological injury claims	Additionally for psychological claims, expects collaboration between all treatment providers, to ensure a coordinated and goal directed focus on recovery and return to work.

The conformance results for criterion A4 are shown in Figure D:

Figure D: Did the insurer make appropriate contact with treating doctor and/or specialist?



For psychological injury claims, the highest result for conformance with this criterion was in Education (89%), then, Health (82%), Other smaller clusters (77%) with lowest result in Stronger Communities (69%)

For non-psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (100%) then Education (89%), then Health (88%), with lowest result in Stronger Communities (73%).

Where conformance was not demonstrated, it was found that:

- contact was often limited to only requesting information to assist liability determinations

- contact was not always made to discuss treatment for upgrading work capacity and recovery
- independent medical examinations were arranged without consulting with and considering whether the issue can be resolved with the nominated treating doctor, specialist or allied health practitioner
- treatments recommended by independent medical examinations were not shared with the nominated treating doctor or specialist
- workers with emerging mental health issues were not escalated to treating doctors or specialists for early intervention
- nominated treating doctors and specialists were not contacted about declinatures on claims.

5.2. Return to work strategy

This category consisted of three criteria measuring identification of risks of delayed recovery and return to work.

Total conformance percentage



76%

Psychological injury



78%

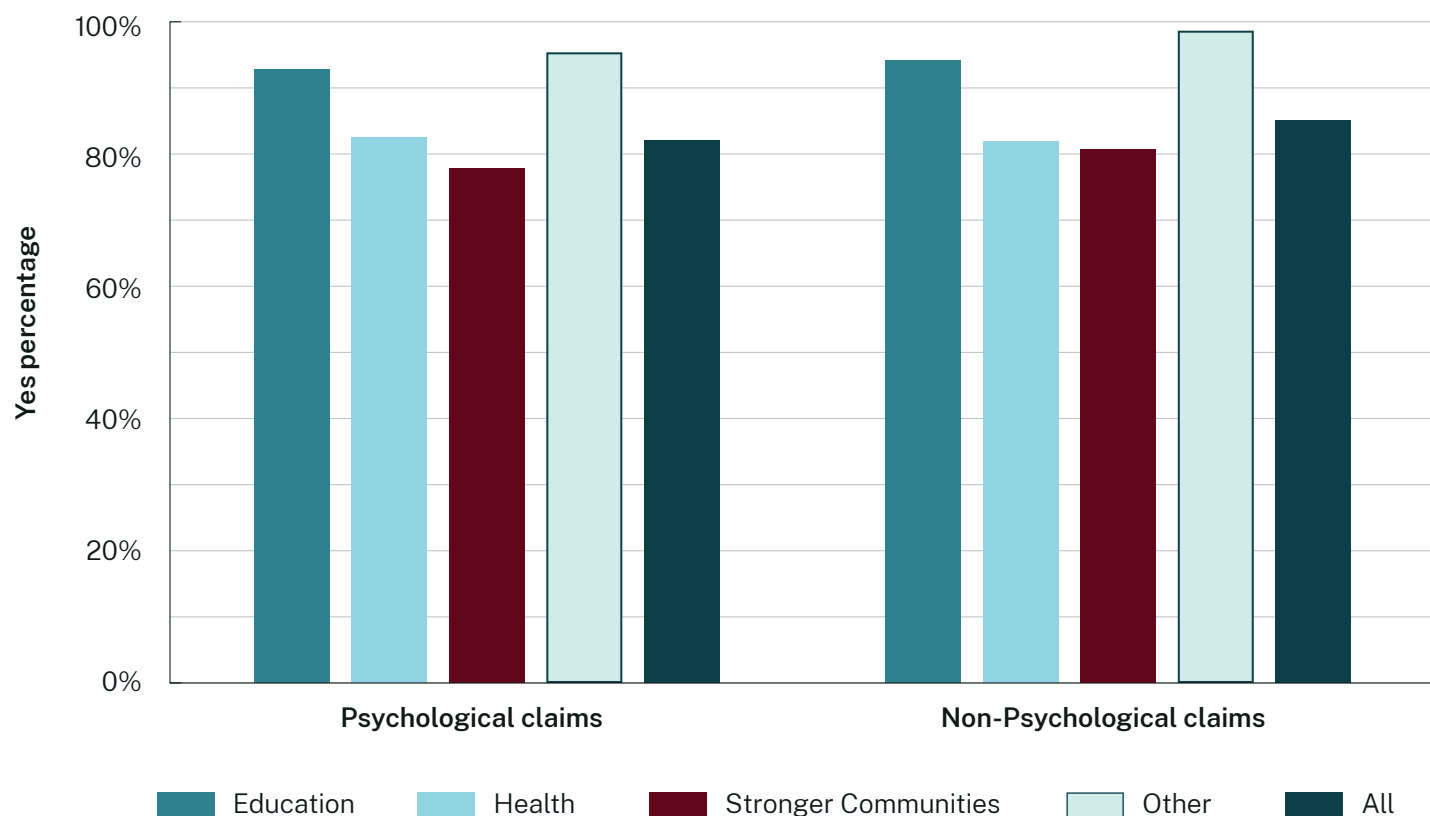
Non-psychological injury

5.2.1. Criterion B1: Did the insurer gather information to identify risks for delayed recovery across the claim: pre-April 2022?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	None	None
SIRA SOPs	SOP 33: Managing psychological injury claims	Expects that psychological risks are identified and addressed to enable a psychologically safe workplace and successful recovery at work. Also, to screen for biopsychosocial factors (biological, psychological and social factors) to identify claims where workers are at an elevated risk of developing a secondary psychological injury.
Insurer guidance	<i>Triage and Screening Case Management Principles</i> , Principle 2, November 2005	Prior to April 2022, expects regular and proactive identification of any risks and barriers likely to influence the worker's recovery and return to work.

The conformance results for criterion B1 are shown in **Figure E**:

Figure E: Did the insurer gather information to identify risks to recovery, pre-April 2022?



For psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (96%) then Education (93%), then Health (83%), with lowest result in Stronger Communities (78%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (99%) then Education (84%), then Health (82%), with lowest result in Stronger Communities (81%).

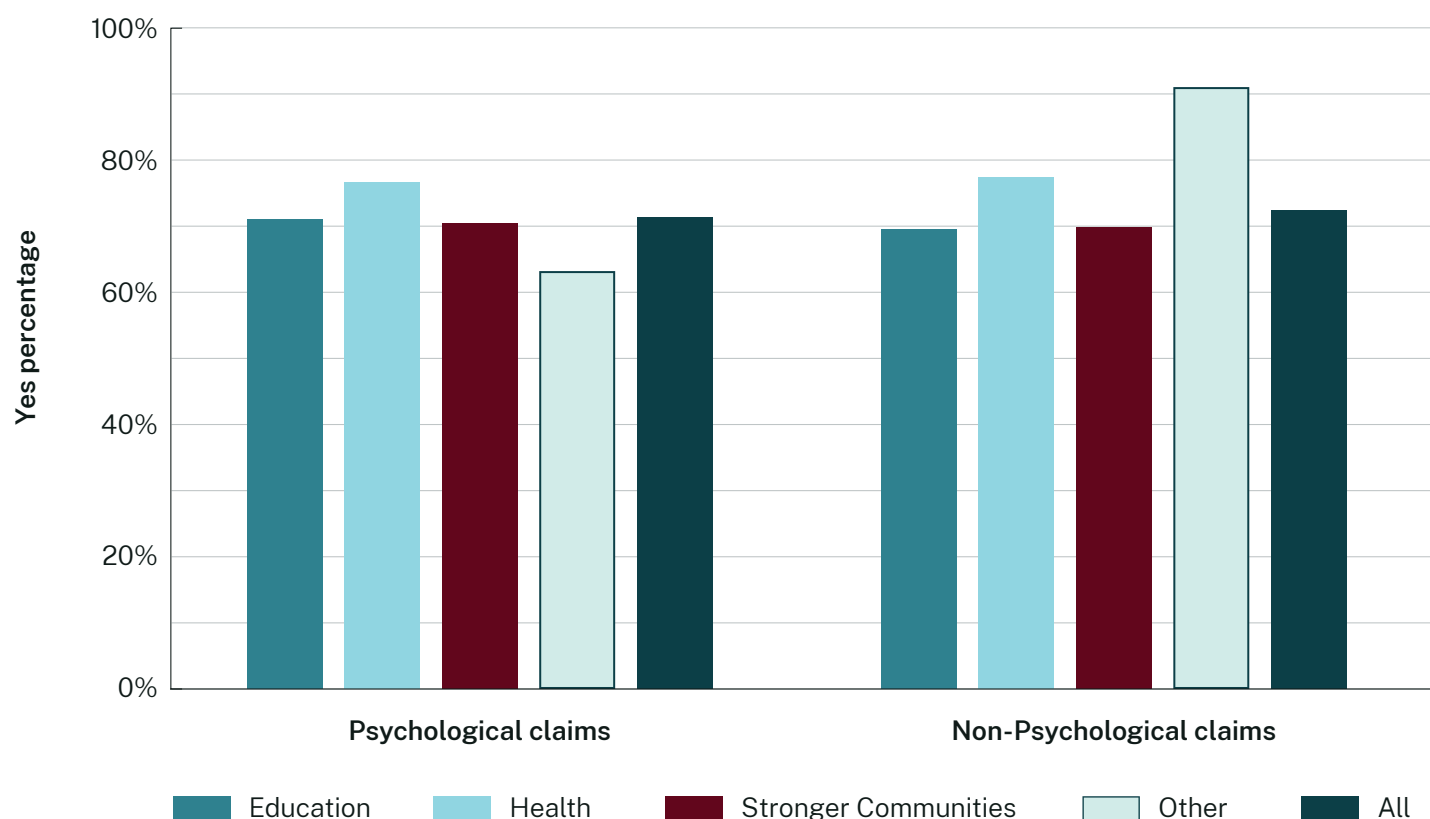
Where conformance was not demonstrated, it was found that there was a lack of proactive engagement with relevant stakeholders to identify risks to delayed recovery.

5.2.2. Criterion B2: Did the insurer gather information to identify risks for delayed recovery across the four domains, post-April 2022?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	None	None
SIRA SOPs	SOP 34: Return to work -early intervention	Expects that since April 2022 information is gathered about risk factors for delayed recovery across the four domains (personal, workplace, insurance and healthcare).
	SOP 33: Managing psychological injury claims	Expects that psychological risks are identified to enable a psychologically safe workplace and successful recovery at work.

The conformance results for criterion B2 are shown in **Figure F**:

Figure F: Did the insurer gather information to identify risks for delayed recovery across the four domains, post-April 2022?



For psychological injury claims, the highest result for conformance with this criterion was in Health (77%) then Education (71%) and Stronger Communities (71%). with lowest result in Other smaller clusters (64%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (91%) then Health (78%), with lowest result in Education (70%) and Stronger Communities (70%).

Where conformance with the criterion was not demonstrated, it was found:

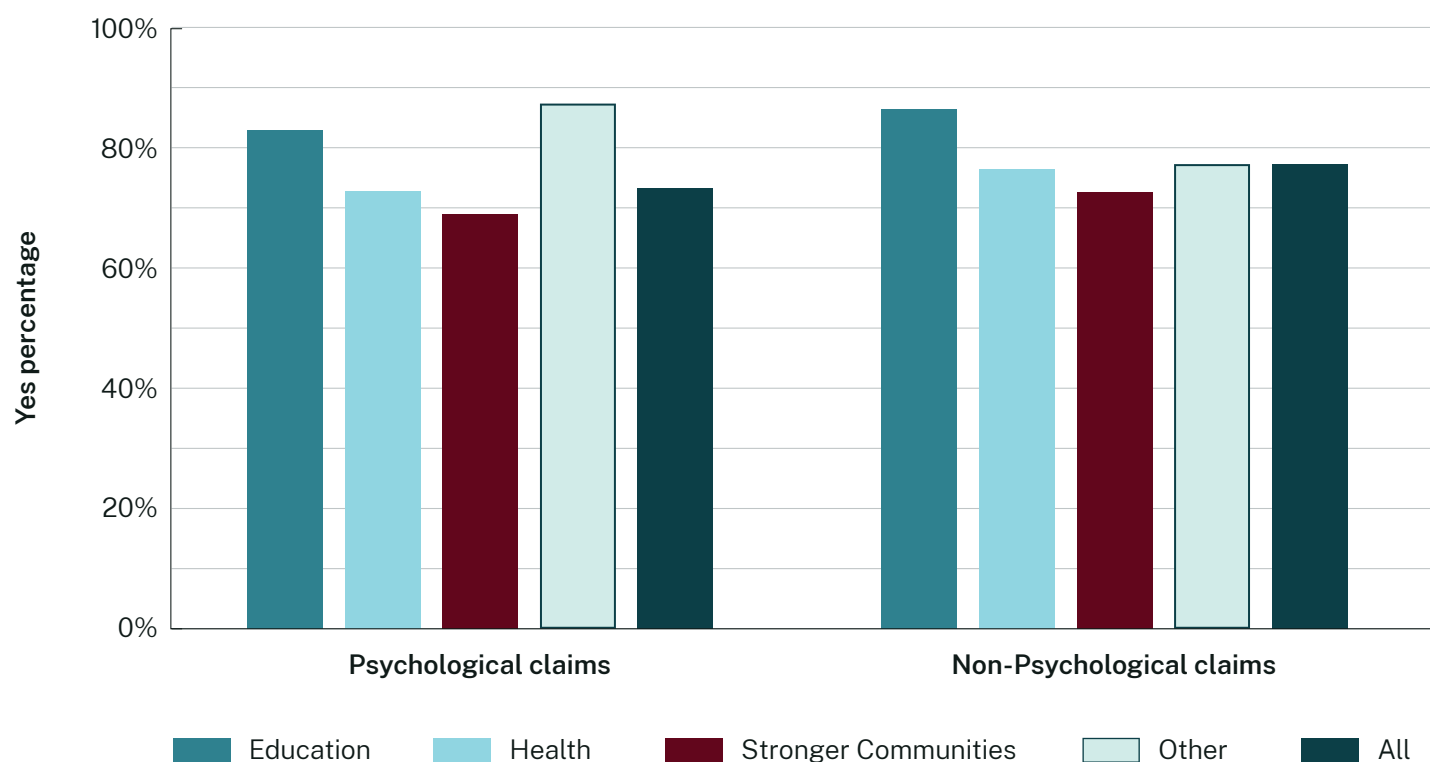
- in the majority of cases, no risks had been assessed in any of the four domains
- in some cases, risks had been assessed in one or more of the domains but not across all four.

5.2.3. Criterion B3: Did the insurer determine and document, in collaboration with relevant stakeholders, matched actions to address the risks identified?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	None	None
SIRA SOPs	SOP 34: Return to work -early intervention	Since April 2022 expects appropriate matched actions to address the identified risk factors for delayed recovery across the four domains.
	SOP 33: Managing psychological injury claims	Expects that psychological risks are addressed to enable a psychologically safe workplace and successful recovery at work.

The conformance results for criterion B3 are shown below in Figure G:

Figure G: Did the insurer determine, in collaboration with the stakeholders, matched actions to address the risks?



For psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (88%), then Education (83%), then Health (73%) with lowest result in Stronger Communities (69%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Education (87%), then Other smaller clusters (78%) then Health (77%), with lowest result in Stronger Communities (73%).

Where conformance was demonstrated, findings identified:

- information and actions were shared and implemented proactively with appropriate stakeholders throughout the claim
- case conferences were utilised to collaborate and match actions.

Where conformance was not demonstrated, findings identified:

- matched actions were not determined at all
- matched actions were not documented
- there was a lack of collaboration contact with treating doctors and specialists to ensure the actions were appropriate.

5.3. Injury management planning

This category consisted of four criteria, measuring whether IMP's:

- have been developed in a timely manner
- address risks to delayed recovery
- involved collaboration
- were tailored to the worker's needs
- drive their return to work goals.

Total conformance percentage



60%

Psychological injury



63%

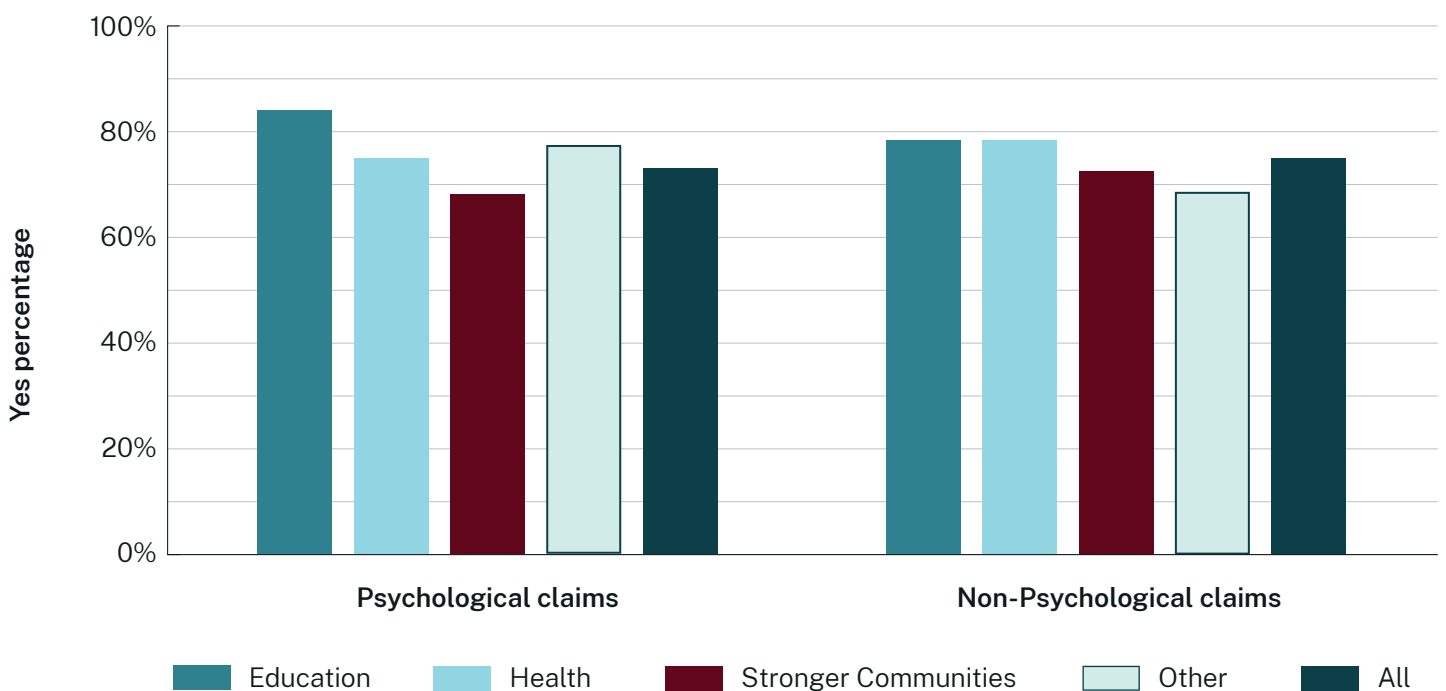
Non-psychological injury

5.3.1. Criterion C1: Were the determined matched actions to address risks implemented?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	None	None
SIRA SOPs	SOP 34: Return to work -early intervention	Expects collaboration and co-ordination with the worker, employer (and treating medical practitioner and other providers, where appropriate) to implement and document the matched actions to address the identified risk factors for delayed recovery.
	SOP 12: Injury Management Plans'	Expects a documented injury management plan (IMP) specific to the worker, consistent with available medical and treatment information including the goal of the plan, tailored actions to delivery of the goal and a statement about when the plan will be reviewed.

The conformance results for criterion C1 are shown in Figure H:

Figure H: Were determined matched actions to address risks to recovery implemented?



For psychological injury claims, the highest result for conformance with this criterion was in Education (84%), then Other smaller clusters (78%) then Health (75%), with lowest result in Stronger Communities (68%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Education (78%) and Health (78%), then Stronger Communities (72%) with lowest result in Other smaller clusters (68%).

Where conformance was demonstrated, findings identified:

- injury management planning was responsive to the workers situation
- actions were proactive and tailored through collaboration with relevant stakeholders
- informed treatment strategies were seen as a prerequisite to successful implementation.

Where conformance was not demonstrated, findings identified:

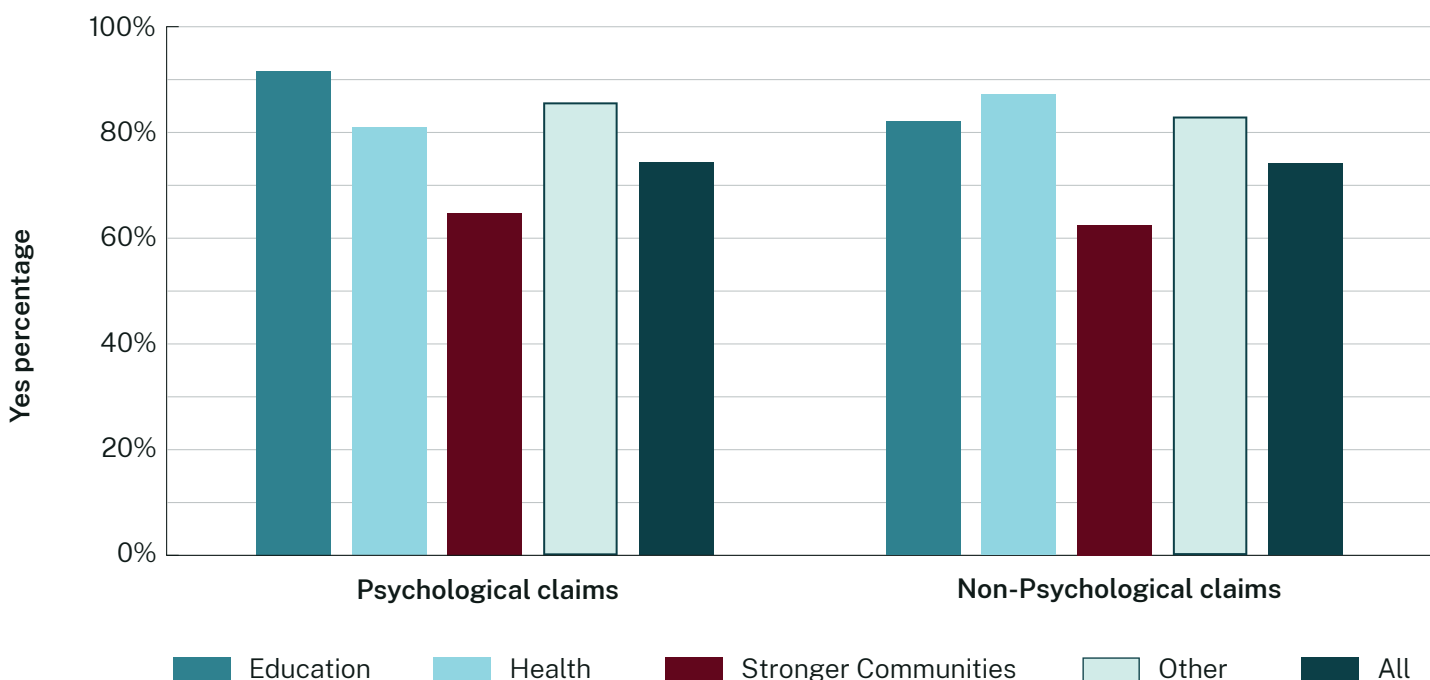
- actions were documented but not implemented
- actions were not updated to reflect current claim activity or progress.

5.3.2. Criterion C2: Was an injury management plan developed within 20 working days from identification of a significant injury?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 45 1998 Act	When it appears that a workplace injury is a significant injury an injury management plan must be established for the injured worker.
SIRA SOPs	SOP 12: Injury Management Plans	Expects injury management planning to commence with the worker immediately upon receipt of an initial notification of injury and an injury management plan developed within 20 working days from identification of a workplace injury as likely to be a significant injury.

The conformance results for criterion C2 are shown in Figure I:

Figure I: Was an IMP developed within 20 working days?



For psychological injury claims, the highest result for conformance with this criterion was in Education (92%), then Other smaller clusters (86%) then Health (81%), with lowest result in Stronger Communities (65%).

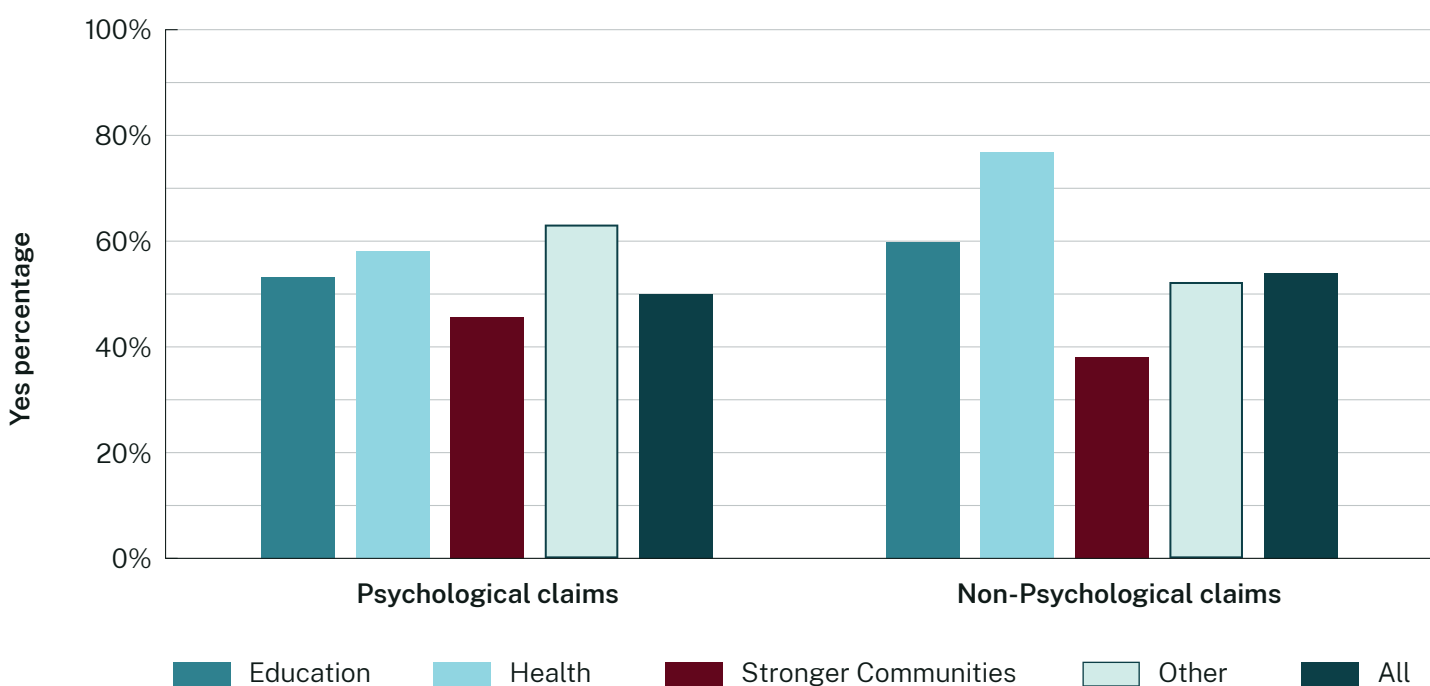
For non-psychological injury claims, the highest result for conformance with this criterion was in and Health (87%), then Other smaller clusters (83%) then Education (82%) with lowest result in Stronger Communities (62%).

5.3.3. Criterion C3: Did the injury management plan meet all the requirements of SIRA SOP 12 and 33, and s45 of the 1998 Act?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 45 1998 Act	The injury management plan must be established in consultation with the worker, the employer, and the treating doctor. The injured worker and employer must be provided with information and significant steps with respect to the plan.
SIRA SOPs	SOP 12: Injury Management Plans	Expects a documented injury management plan (IMP) specific to the worker, consistent with available medical and treatment information including the goal of the plan, tailored actions to delivery of the goal and a statement about when the plan will be reviewed.
	SOP 33: Managing psychological injury claims	Psychological injury claims are expected to be managed with empathy and a strong goal directed focus on early treatment, tailored communication, timely recovery and return to work, in a manner likely to minimise conflict and delay.

The conformance results for criterion C3 are shown in Figure J:

Figure J: Did the IMP meet all the requirements of SOPs 12 & 33 and s45, 1998 Act?



For psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (63%) then Health (58%), then Education (53%), then with lowest result in Stronger Communities (45%).

For non-psychological injury claims, the highest result for conformance with this criterion was in and Health (77%), then Education (60%) then Other smaller clusters (52%) with lowest result in Stronger Communities (38%).

Where conformance was not demonstrated, findings identified:

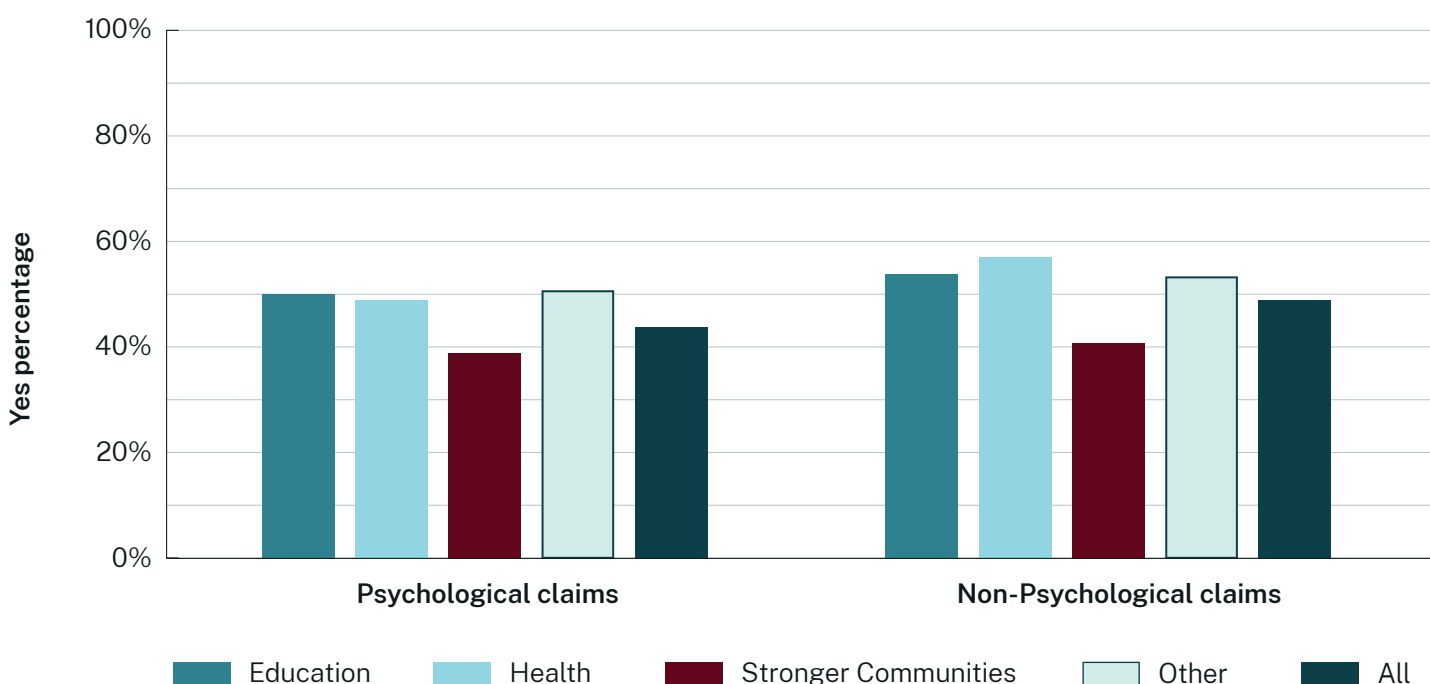
- IMPs were not evident on the file
- IMPs that were evident on file:
 - had not been developed with sufficient collaboration
 - were not specific to the worker’s needs and consistent with treatment plans and goals identified
 - did not have a strong focus on early treatment and a return to safe work.

5.3.4. Criterion C4: Did the insurer collaborate and update the injury management plan when required?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	None	None
SIRA SOPs	SOP 12: Injury Management Plans	Expects that injury management planning will be undertaken in a timely and proactive manner to support workers' treatment, rehabilitation and return to work. The injury management plan is to be specific to the worker and consistent with available medical and treatment information.
	SOP 33: Managing psychological injury claims	Expects that the injury management plan will: <ol style="list-style-type: none"> outline a collaborative and tailored communication approach articulate for the worker, employer and treatment providers expectations about recovery and return to work, outlining an approach to manage potential return to work barriers and minimise conflict or delay facilitate positive and constructive engagement between the worker and the employer to promote a workplace culture conducive to an optimal return to work outcome.

The conformance results for criterion C4 are shown in Figure K:

Figure K: Did the insurer collaborate and update the IMP when required?



For psychological injury claims, the highest result for conformance with this criterion was in Other smaller clusters (51%), then Education (50%), then Health (49%), then with lowest result in Stronger Communities (39%).

For non-psychological injury claims, the highest result for conformance with this criterion was in and Health (57%), then Education (54%) then Other smaller clusters (53%) with lowest result in Stronger Communities (41%).

Where conformance was not demonstrated, findings identified that IMPs:

- were not utilised as a tool to continually drive and improve recovery and return to work outcomes
- did not remain current with worker's medical and rehabilitation information and goals.

5.4. Claims liability decision making

This category consists of 18 criteria covering the varying liability decisions that may be made on a claim. For each decision the criteria measured if decisions were appropriate, were made within legislative timeframes and if workers were given a notice to advise them of the decision.

Total conformance percentage



91%

Psychological injury



88%

Non-psychological injury

5.4.1. Initial liability decisions

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 267(1) 1998 Act	Provisional weekly payments of compensation are to commence within 7 days after initial notification to the insurer of an injury to a worker, unless the insurer has a reasonable excuse for not commencing those weekly payments.
	Section 268 1998 Act	<p>If an insurer does not commence weekly payments of compensation because the insurer has a reasonable excuse for not doing so, the insurer must within 7 days after receiving the initial notification of injury give the worker notice in writing that the insurer has a reasonable excuse for not commencing weekly payments and include in the notice:</p> <ul style="list-style-type: none"> • details of that reasonable excuse • a statement that the worker is entitled to make a claim for compensation and that the claim will be determined within 21 days • details of how that claim can be made.
	Section 274 1998 Act	<p>Within 21 days after a claim for weekly payments is made the person on whom the claim is made must determine the claim by accepting liability and commencing weekly payments or disputing liability.</p> <p>An insurer can accept liability for weekly payments on a on a provisional basis for a period of up to 12 weeks.</p>
	Section 278 1998 Act	The Act does not prevent the acceptance of liability and the commencement of weekly payments before the end of the provisional liability period.
	Section 78 1998 Act	An insurer must give notice of any decision to dispute liability in respect of a claim or any aspect of a claim.
SIRA SOPs	SOP 3 Initial liability decisions – general, provisional, reasonable excuse or full liability	When determining liability expects insurers will obtain and consider all relevant information, consult with the worker and the employer, and make a decision at the earliest possible opportunity.
Insurer guidance	<ul style="list-style-type: none"> • Guidance Note 3.2 • Guidance Note 2.3 	<ul style="list-style-type: none"> • Expectations and guidance for initial liability decisions (provisional, reasonable excuse or full liability). • Expectations and guidance for psychological injury claims.

5.4.2. Criteria D1, E1 and F1: Was the appropriate evidence obtained in making the initial liability decision?

The conformance results for criteria D1, E1 and F1 are shown in Figure L and Figure M:

Figure L: Was the appropriate evidence obtained in making the decision (psychological injury claims)?

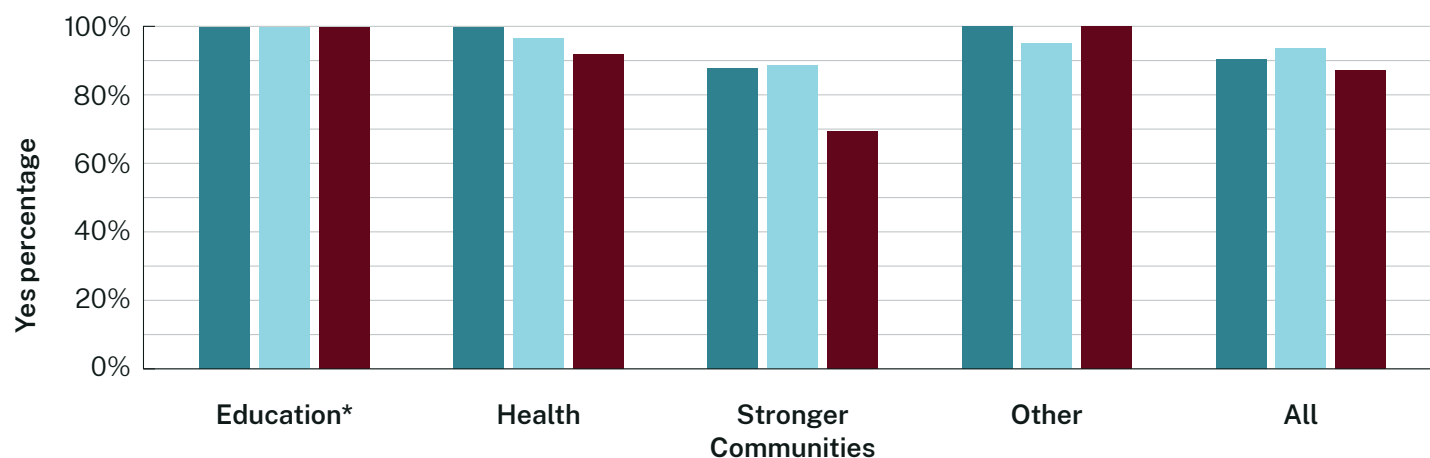
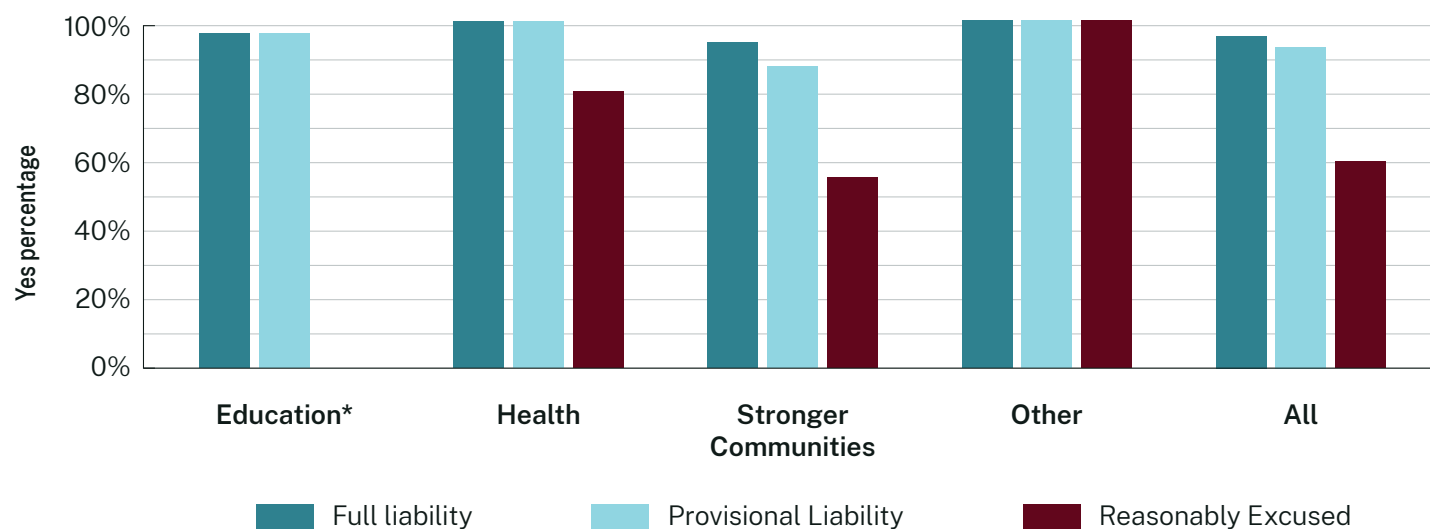


Figure M: Was the appropriate evidence obtained in making the decision (non-psychological injury claims)?



* Note: Only 16 reasonably excused claims were reviewed in total. 1 for Education, 5 for Health, 9 for Stronger Communities and 1 in 'Other' clusters.

For psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was jointly in Education (100%), Health (100%) and the Other smaller clusters (100%), with lowest result in Stronger Communities (88%).
- When making a provisional liability decision the highest result for conformance with this criterion in Education (100%), then Health (97%) and the Other smaller clusters (95%), with lowest result in Stronger Communities (89%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Health (92%) with lowest result in Stronger Communities (69%).

For non-psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was jointly in Health (100%) and the Other smaller clusters (100%), then in Education (96%) with lowest result in Stronger Communities (94%).
- When making a provisional liability decision the highest result for conformance with this criterion was jointly in Health (100%) and the Other smaller clusters (100%), then Education (96%) with lowest result in Stronger Communities (87%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was the Other smaller clusters (100%), then Health (80%) with lowest result in Stronger Communities (56%).

5.4.3. Criteria D2, E2 and F2: Was the initial liability decision made in the correct timeframe?

The conformance results for criteria D2, E2 and F2 are shown in Figure N and Figure O:

Figure N: Was the decision made in the correct timeframe (psychological injury)?

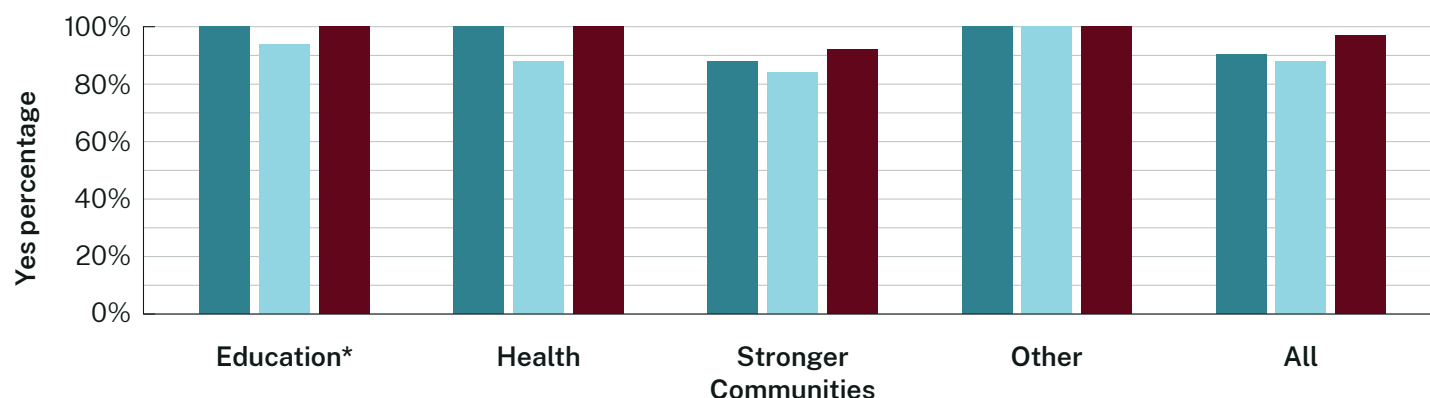
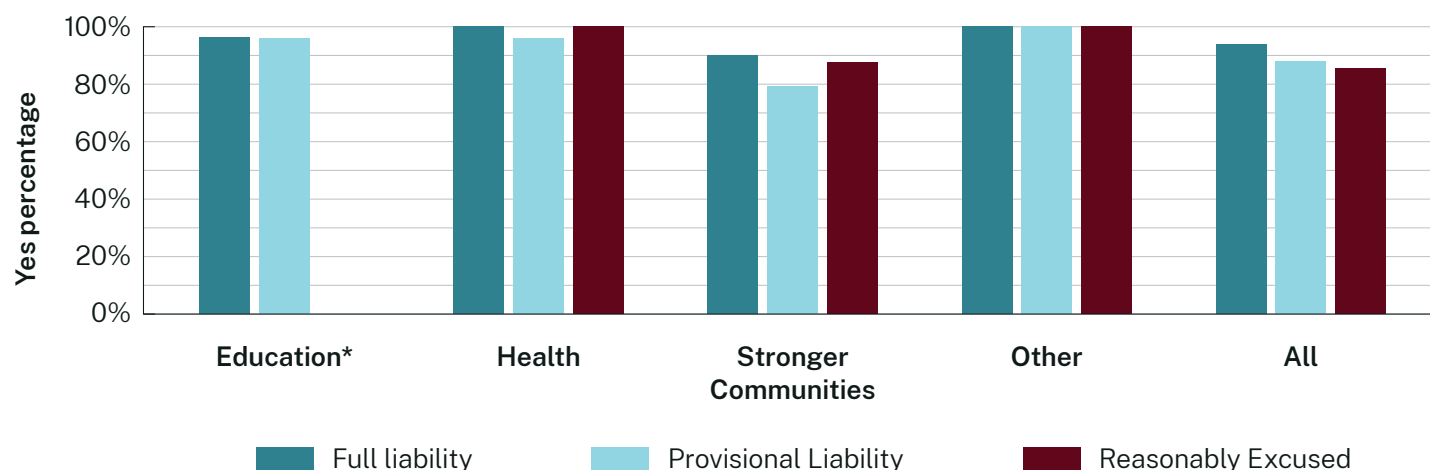


Figure O: Was the decision made in the correct timeframe (non-psychological injury)?



Notes:

- Only one (1) non-psychological reasonable-excuse decision was recorded each for Education and the 'Other' cluster group
- Only one (1) psychological reasonable-excuse decision was recorded for the 'Other' cluster group.

For psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was jointly in Education (100%), Health (100%) and the Other smaller clusters (100%), with the lowest result in Stronger Communities (88%).
- When making a provisional liability decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (94%), then Health (88%) with lowest result in Stronger Communities (84%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was jointly in Education (100%), Health (100%) and the Other smaller clusters (100%), with lowest result in Stronger Communities (92%).

For non-psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was jointly in Health (100%) and the Other smaller clusters (100%), then in Education (96%) with lowest result in Stronger Communities (90%).
- When making a provisional liability decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (96%) and Health (96%) and with lowest result in Stronger Communities (80%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was jointly in the Other smaller clusters (100%) and Health (100%) with lowest result in Stronger Communities (88%).

Where conformance was not demonstrated, decision timeframes were exceeded due to:

- business days rather than calendar days were counted
- the count was made from the date the claim was entered into the insurer system (DEIS), not the date of injury notification.

5.4.4. Criteria D3, E3 and F3: Was the requisite notice provided?

The conformance results for criteria D3, E3 and F3 are shown in Figure P and Figure Q:

Figure P: Was the requisite notice provided (psychological injury)?

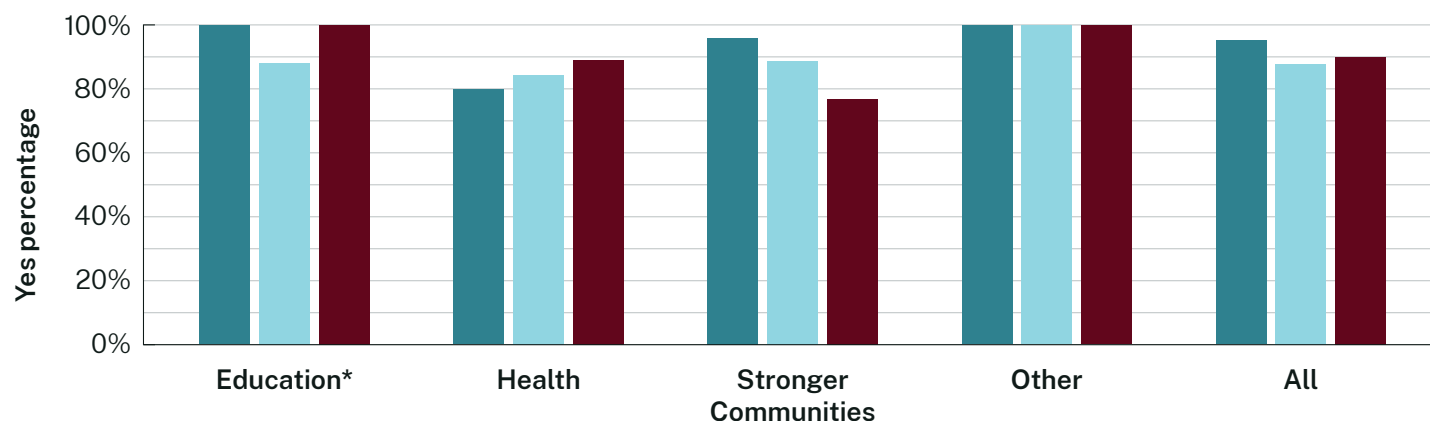
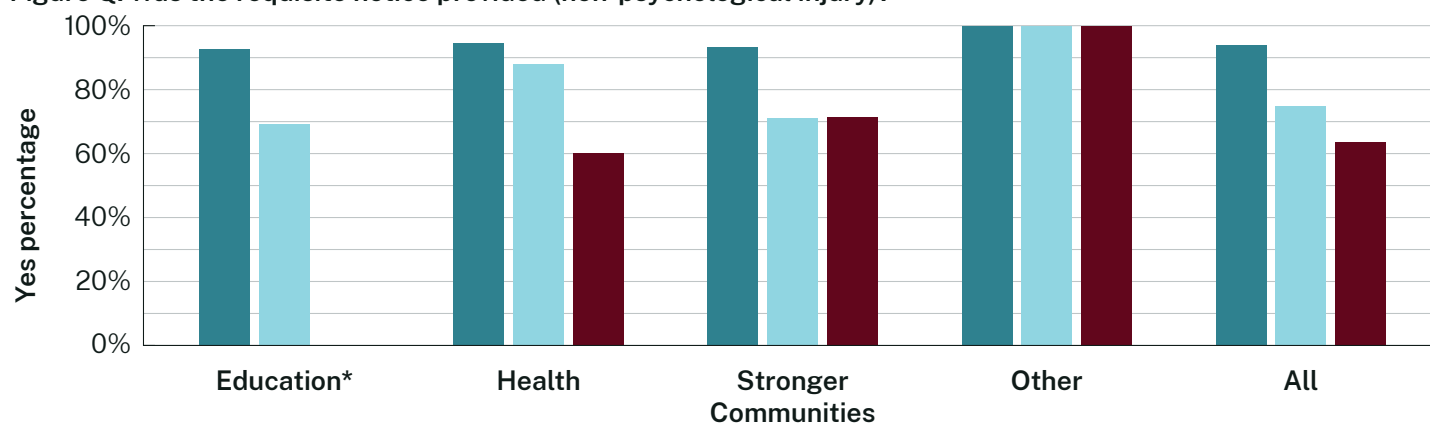


Figure Q: Was the requisite notice provided (non-psychological injury)?



Notes:

Full liability
 Provisional Liability
 Reasonably Excused

- Only one (1) non-psychological reasonable-excuse decision was recorded each for Education and the 'Other' cluster group.
- Only one (1) psychological reasonable-excuse decision was recorded for the 'Other' cluster group.

For psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Stronger Communities (96%) with the lowest result in Health (80%).
- When making a provisional liability decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (88%), then Stronger Communities (87%) with lowest result in Health (84%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Health (89%) with lowest result in Stronger Communities (77%).

For non-psychological injury claims:

- When making a full liability decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Health (95%), then Stronger Communities (94%) with lowest result in Education (93%).
- When making a provisional liability decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Health (88%) then Stronger Communities (71%) with lowest result in Education (69%).
- When making a reasonable excuse decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Stronger Communities (71%) with lowest result in Health (60%).

Where conformance was not demonstrated, findings identified:

- notices had been provided to workers, but the contents did not meet legislative and SOP requirements
- a reasonable excuse notice was not applied for not commencing weekly payments on claims that had been accepted for medical treatment only.

5.4.5. Criteria G1, G2 and G3: Subsequent liability decisions

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 274 1998 Act	<p>Within 21 days after a claim for weekly payments is made the person on whom the claim is made must determine the claim by accepting liability and commencing weekly payments or disputing liability.</p> <p>An insurer can accept liability for weekly payments on a on a provisional basis for a period of up to 12 weeks.</p>
	Section 278 1998 Act	The Act does not prevent the acceptance of liability and the commencement of weekly payments before the end of the provisional liability period.
	Section 78 1998 Act	An insurer must give notice of any decision to dispute liability in respect of a claim or any aspect of a claim.
SIRA SOPs	SOP 3 Initial liability decisions – general, provisional, reasonable excuse or full liability	When determining liability expects insurers will obtain and consider all relevant information, consult with the worker and the employer, and make a decision at the earliest possible opportunity.
Insurer guidance	<ul style="list-style-type: none"> Guidance Note 3.2 Guidance Note 2.3 	<ul style="list-style-type: none"> Expectations and guidance for initial liability decisions (provisional, reasonable excuse or full liability). Expectations and guidance for psychological injury claims.

The conformance results for criteria G1, G2 and G3 are shown in Figure R and Figure S:

Figure R: Subsequent liability decisions (psychological injuries)

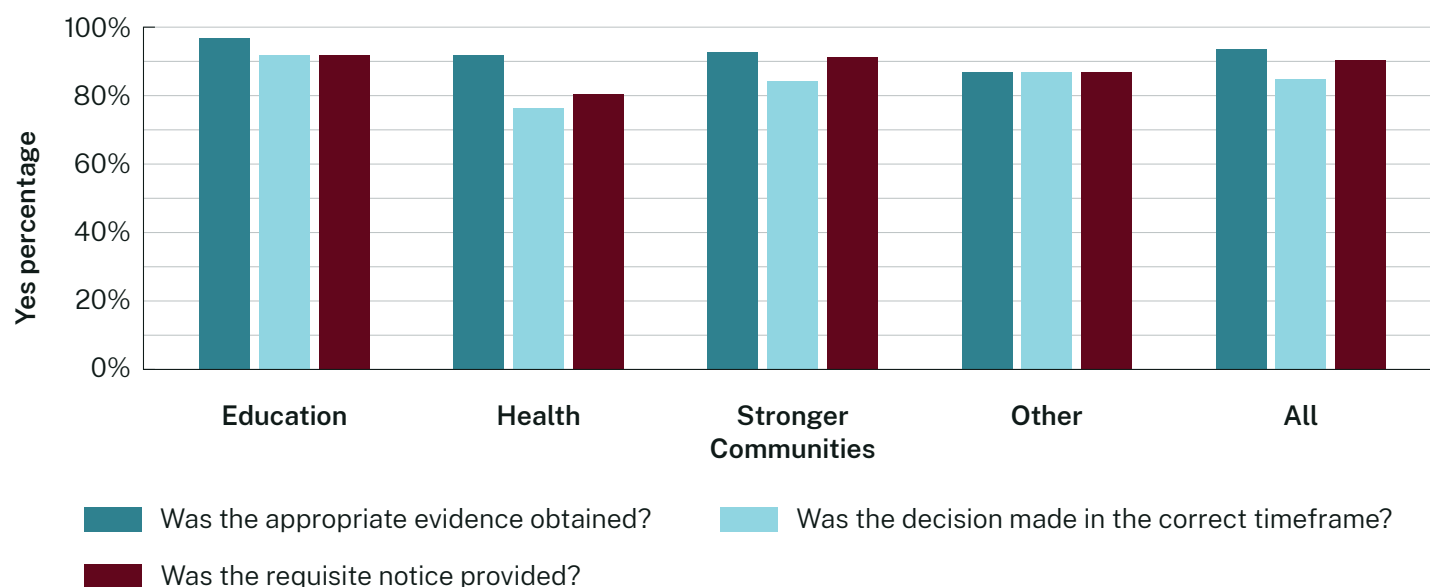
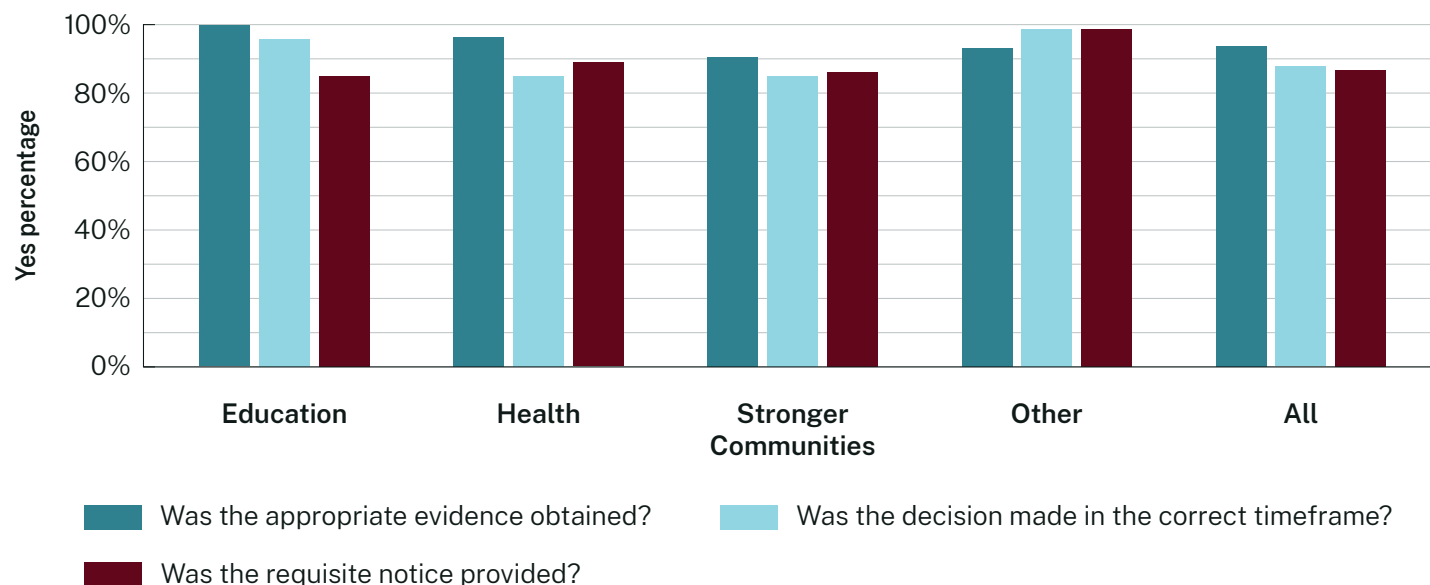


Figure S: Subsequent liability decisions (non-psychological injuries)



For psychological injury claims:

- When gathering appropriate evidence to make a subsequent liability decision, the highest result for conformance was in Education (98%), then Stronger Communities (94%) then Health (93%) with the lowest result in the Other smaller clusters (88%).
- When making a subsequent liability decision in timeframe, the highest result for conformance with this criterion was in Education (93%), then the Other smaller clusters (88%), then Stronger Communities (85%), with lowest result in Health (77%).
- When providing a notice for a subsequent liability decision the highest result for conformance with this criterion was jointly in Education (93%) and Stronger Communities (93%) then the Other smaller clusters (88%), with lowest result in Health (81%).

For non-psychological injury claims:

- When gathering appropriate evidence to make a subsequent liability decision, the highest result for conformance was in Education (100%), then Health (97%), then the Other smaller clusters (94%) with the lowest result in Stronger Communities (91%).
- When making a subsequent liability decision in timeframe, the highest result for conformance with this criterion was in the Other smaller clusters (99%), then Education (96%), then Health (86%), with lowest result in Stronger Communities (85%).
- When providing a notice for a subsequent liability decision the highest result for conformance with this criterion was in Health (89%), then Stronger Communities (87%) and the Other smaller clusters (87%), with lowest result in Education (85%),

Where conformance was not demonstrated, findings identified that this was mainly for when liability is not being determined within 21 days on a claim made for weekly payments.

5.4.6. Criteria H1, H2 and H3: Claims for medical, hospital and rehabilitation expenses

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 279 1998 Act	<p>Within 21 days after a claim for medical expenses compensation is made the person on whom the claim is made must determine the claim by accepting or disputing liability.</p> <p>An employer is not required to determine a claim as provided by this section if:</p> <ul style="list-style-type: none"> the employer has duly forwarded the claim to an insurer who the employer believes is liable to indemnify the employer in respect of the claim the employer has complied with all reasonable requests of the insurer with respect to the claim.
	Section 280 1998 Act	An insurer can accept liability for medical expenses compensation on the basis of the provisional acceptance of liability for an amount of up to \$5,000 or such other amount as may be specified by the Workers Compensation Guidelines.
	Section 78 1998 Act	Requires notice to be given of any decision of the insurer to dispute liability in respect of a claim or any aspect of a claim.
SIRA SOPs	<ul style="list-style-type: none"> SOP 4 Liability for medical or related treatment SOP 10 Payment of invoices and reimbursements SOP 15 Approval and payment of medical, hospital and rehabilitation services SOP 19 Section 59A notification 	<p>Expects medical or treatment liability decisions are made promptly, in consultation with key stakeholders and based on all available evidence to reduce the likelihood of disputes and ensure workers can focus on recovery and return to work (SOP 4).</p> <p>Expects that workers and providers will receive prompt payment of invoices and reimbursements for medical, hospital and rehabilitation services (SOP 10).</p> <p>Expects that insurers will give prompt consideration to approving medical, hospital and rehabilitation services (SOP 15).</p> <p>Expects that early notification is provided before cessation of medical benefits, which helps to ensure that workers have sufficient time to prepare for cessation and make any necessary arrangements (SOP 19).</p>
Insurer guidance	<ul style="list-style-type: none"> Workers compensation guidelines Part 2.2 and Part 4 Guidance Note 3.11 Guidance Note 2.3 	<ul style="list-style-type: none"> Allows an insurer to accept liability for medical expenses on a provisional basis and pay up to \$10,000 before being required to make a formal determination of liability. Sets the Guidelines in accordance with s60 of the <i>Workers Compensation 1987 Act</i> for the compensation of medical, hospital, and rehabilitation expenses. Sets the guidance for how to adopt and tailor key evidence-based case management practices to achieve better outcomes for psychological injury claims.

The conformance results for criteria H1, H2 and H3 are shown in Figure T and Figure U:

Figure T: Claims for medical, hospital and rehabilitation expenses (psychological injury claims)

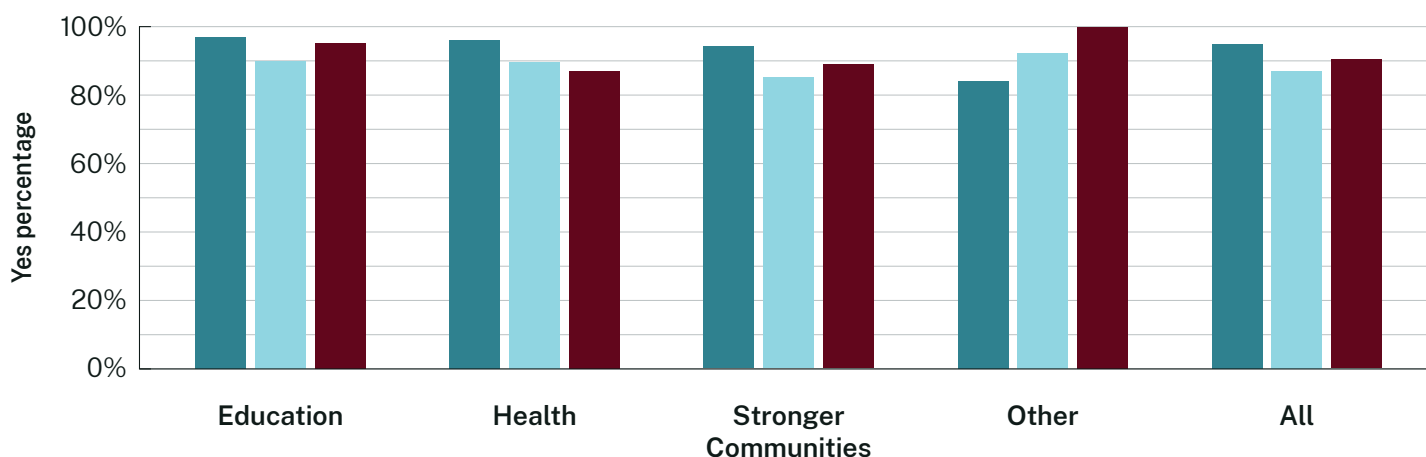
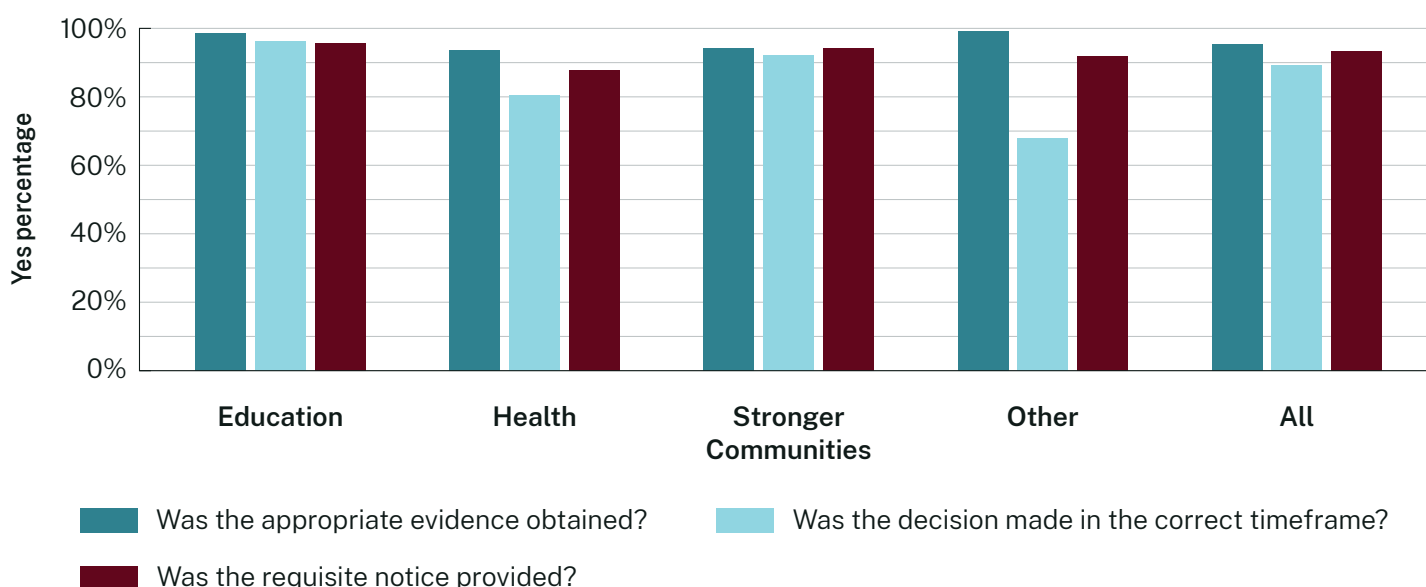


Figure U: Claims for medical, hospital and rehabilitation expenses (psychological injury claims)



For psychological injury claims:

- When gathering appropriate evidence to make a liability decision, the highest result for conformance was in Education (97%), then Health (96%), then Stronger Communities (94%) with the lowest result in the Other smaller clusters (84%).
- When making a liability decision in timeframe, the highest result for conformance with this criterion was in the Other smaller clusters (92%), then Education (90%) and Health (90%), with lowest result in Stronger Communities (85%).
- When providing a notice for a decision the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (95%), then Stronger Communities (89%), with lowest result in Health (87%).

For non-psychological injury claims:

- When gathering appropriate evidence to make a liability decision, the highest result for conformance was jointly in Education (99%) and the Other smaller clusters (99%), then jointly Health (94%) and Stronger Communities (94%).
- When making a liability decision in timeframe, the highest result for conformance with this criterion was in Education (96%), then Stronger Communities (92%), then Health (81%), with lowest result in the Other smaller clusters (68%).
- When providing a notice for a decision the highest result for conformance with this criterion was in Education (96%), then Stronger Communities (94%) and the Other smaller clusters (92%), with lowest result in Health (88%).

5.4.7. Criteria I1, I2 and I3: Permanent impairment liability decisions

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 281 1998 Act	<p>The person on whom a claim for lump sum compensation or work injury damages is made must, within the time required by this section, determine the claim by:</p> <ul style="list-style-type: none"> accepting liability and making a reasonable offer of settlement to the claimant, or disputing liability under Division 3 of Part 2 of Chapter 4. <p>A claim must be so determined –</p> <ul style="list-style-type: none"> within 1 month after the degree of permanent impairment first becomes fully ascertainable, as agreed by the parties or as determined by a medical assessor, or within 2 months after the claimant has provided to the insurer all relevant particulars about the claim, whichever is the later.
SIRA SOPs	SOP 20 Permanent Impairment Assessment Reports	Expects that insurers objectively review permanent impairment assessment reports to ensure correct and consistent assessment for the determination of permanent impairment entitlements.
	SOP 21 Negotiation on degree of permanent impairment	Where appropriate, encourages parties to consider negotiating and agreeing on the degree of permanent impairment.
Insurer guidance	Guidance Note 5.7	<ul style="list-style-type: none"> Sets guidance for how the degree of permanent impairment is assessed and whether a worker can access ongoing weekly or medical benefits and/or other benefits. If obtaining an assessment of permanent impairment from an injury an insurer may refer the worker for an independent medical examination. The Guidelines set the requirement that the referral must be to a specialist medical practitioner with qualifications, training and experience relevant to the body system being assessed.

The conformance results for criteria I1, I2 and I3 are shown in Figure V and Figure W:

Figure V: Permanent impairment claims for psychological injuries

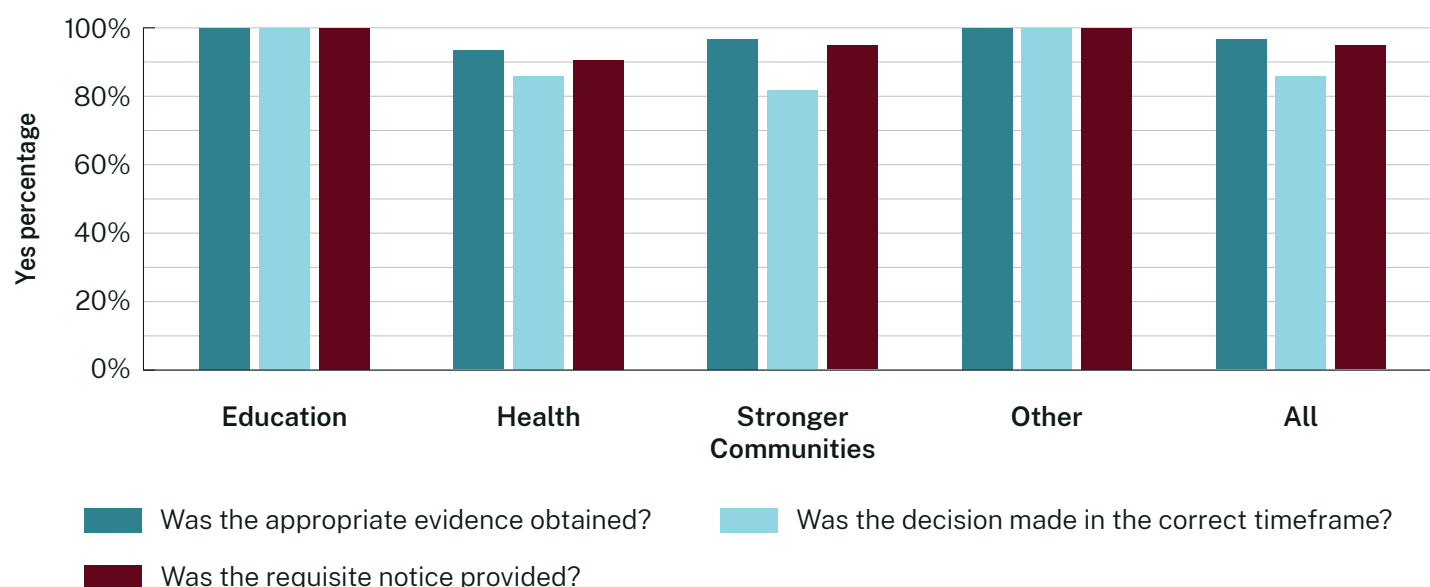
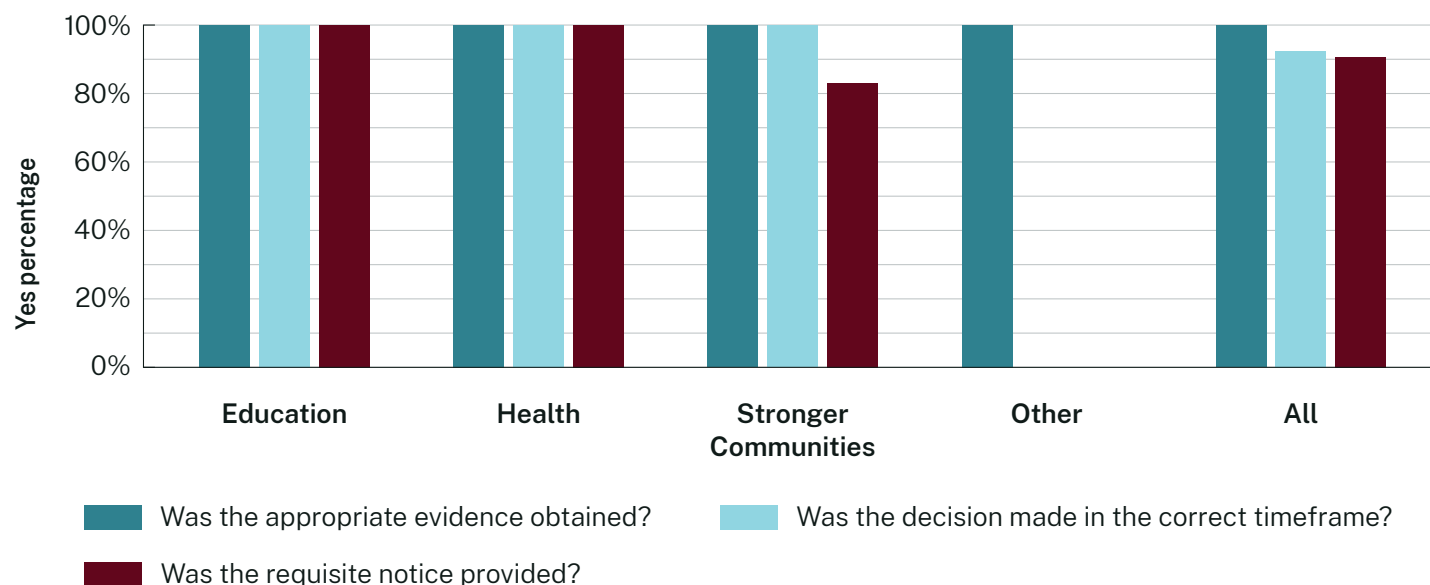


Figure W: Permanent impairment claims for non-psychological injuries



Note: 'Other' clusters had only 4 permanent impairment claims, of which 3 were claims for psychological permanent impairment injury. Only a small sample of claims were reviewed for permanent impairment assessments and decisions.

For psychological injury claims:

- When gathering appropriate evidence to make a liability decision, the highest result for conformance was jointly in Education (100%) and the Other smaller clusters (100%), then Stronger Communities (97%) with the lowest result in Health (93%).
- When making a liability decision in timeframe, the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Health (86%), with lowest result in Stronger Communities (81%).
- When providing a notice for a decision the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Stronger Communities (95%), with lowest result in Health (91%).

For non-psychological injury claims:

- When gathering appropriate evidence to make a liability decision, all clusters achieved the highest result for conformance (100%).
- When making a liability decision in timeframe, all clusters achieved the highest result for conformance (100%), noting there were not relevant claims in the Other smaller clusters.
- When providing a notice for a decision the highest result for conformance with this criterion was in jointly in Education (100%) and Health (100%) with lowest result in Stronger Communities (83%).

5.5. Customer service conduct

This category consisted of one criterion measuring whether any complaints or issues raised were addressed and resolved in line with SIRA's customer conduct service principles.

Total conformance percentage



80%

Psychological injury



93%

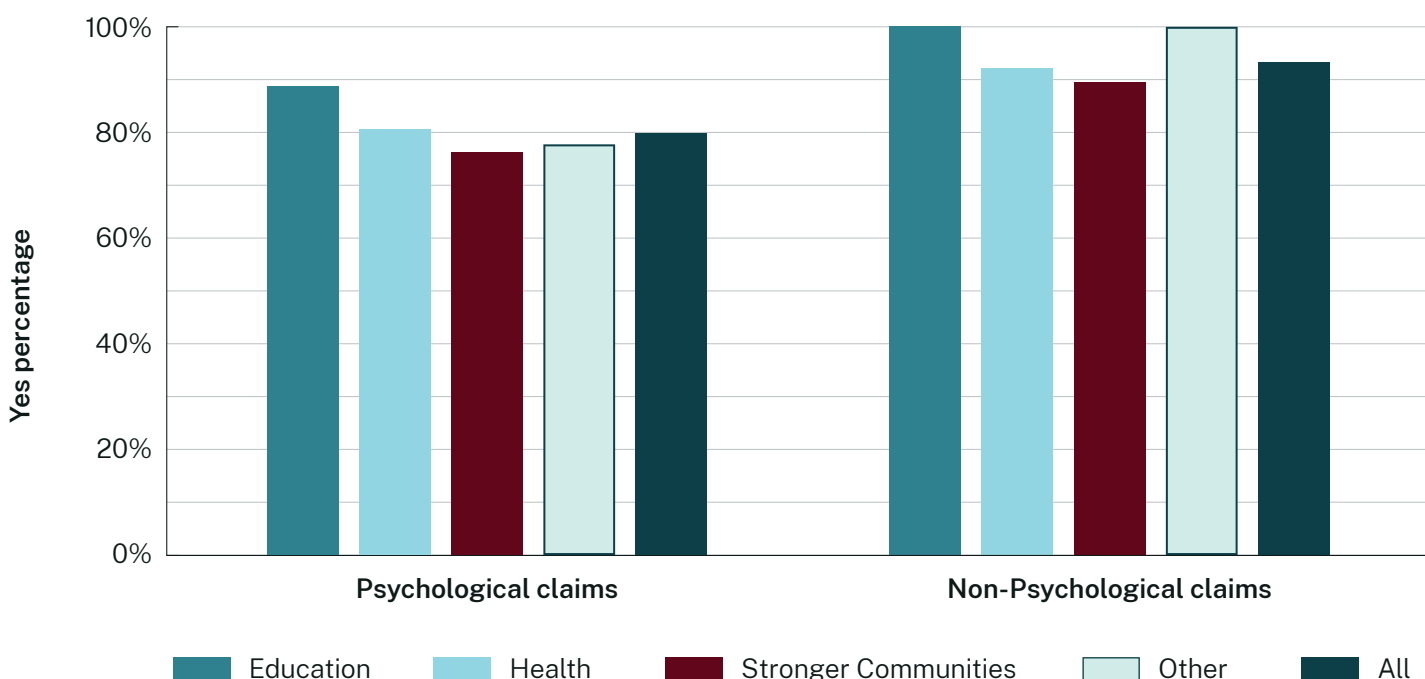
Non-psychological injury

5.5.1. Criterion K1: Did the insurer resolve issues in line with SIRA’s customer service conduct principles?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
SIRA SOPs	SIRA’s customer service conduct principles	Expects that insurers will: <ul style="list-style-type: none"> • Be efficient and easy to engage; • Act fairly, with empathy and respect; • Resolve customer concerns quickly, respect customers’ time and be proactive; • Have systems in place to identify and address customer concerns; and • Be accountable for actions and honest in interactions with customers.
	The Standard of Practice overarching claims management principles	Consistent with SIRA’s customer service conduct principles the overarching claims management principles apply across all aspects of claims management, providing direction for the handling and administration of claims under the workers compensation system.
Insurer guidance	Guidance Note 1.5	Provides guidance on procedural fairness to ensure that decision-making is fair and reasonable and that the decision-maker should be free from bias, and act only on the basis of relevant material evidence.

The conformance results for criterion K1 are shown in Figure X.

Figure X: Did the insurer attempt to resolve complaints in line with SIRA’s customer service conduct principles?



For psychological injury claims, the highest result for conformance with this criterion was in Education (88%), then Health (81%), then the Other smaller clusters (78%), with lowest result in Stronger Communities (76%).

For non-psychological injury claims, the highest result for conformance with this criterion was jointly in Education (100%) and the Other smaller clusters (100%), then Health (92%), with lowest result in Stronger Communities (89%).

Complaints made by workers were mainly due to lack of communication from CSPs and delays in reviewing medical treatment requests and approving weekly payments of compensation.

Where conformance was not found, the findings showed:

- CSPs were not resolving matters quickly and proactively
- not resolving complaints on psychological injury claims, led to additional distress to workers.

5.6. Employer actions

This category consisted of five criteria measuring the government employers obligations as employers and whether they were notifying workplace injuries promptly, providing ongoing support and return to work activities, and were not influencing inappropriate decisions on claims.

Total conformance percentage



76%

Psychological injury



78%

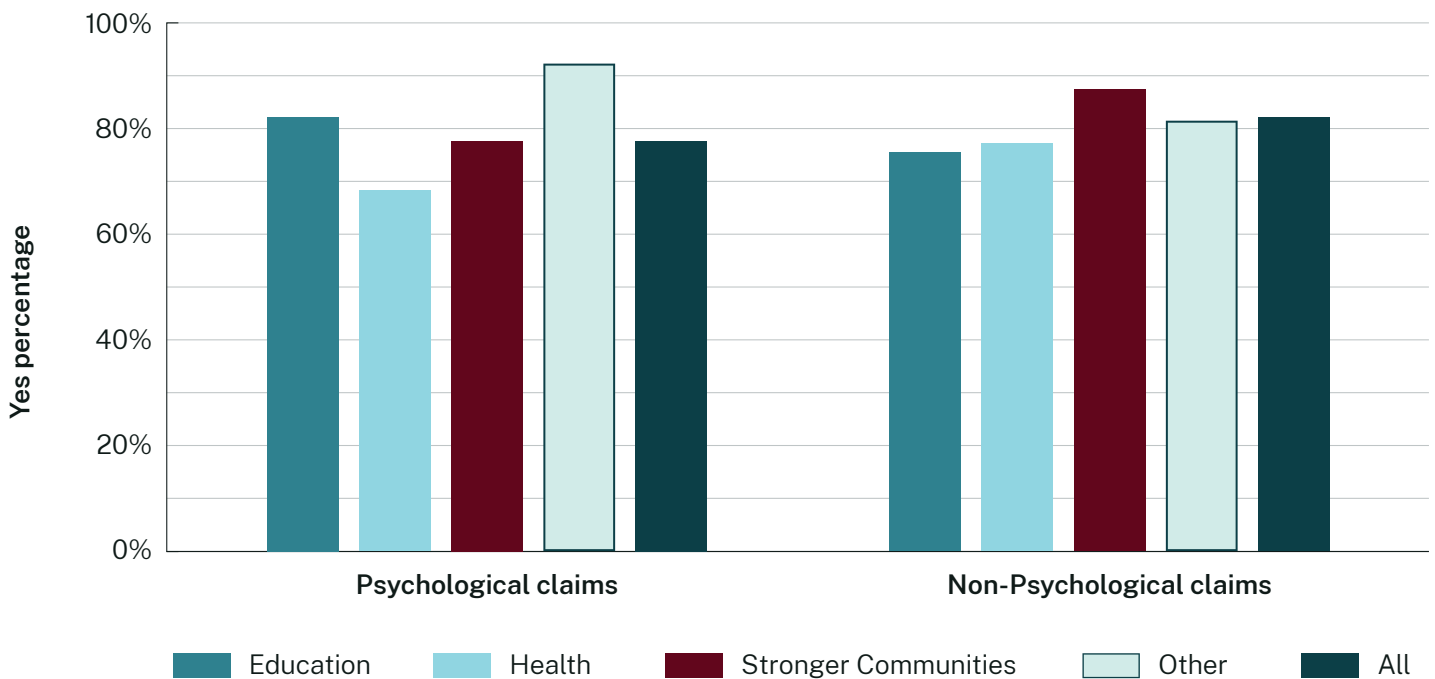
Non-psychological injury

5.6.1. Criterion L1: Did the employer notify the insurer of the injury within 48 hours?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 44(2) 1998 Act	The employer of an injured worker must notify the insurer within 48 hours after becoming aware that a worker has received a workplace.
Insurer guidance	Guidelines for Workplace Return to Work Programs (1 March 2021)	Provides guidance to help employers, workers and other stakeholders understand their legal obligations in relation to return to work programs for their workplace.

The conformance results for criterion L1 are shown in Figure Y:

Figure Y: Did the employer notify the insurer within 48 hours of becoming aware of the injury?



For psychological injury claims, the highest result for conformance with this criterion was in the Other smaller clusters (89%), then Education (76%), then Stronger Communities (69%). With lowest result in Health (57%),

For non-psychological injury claims, the highest result for conformance with this criterion was in Stronger Communities (82%), then the Other smaller clusters (74%), then Health (69%), with lowest result in Education (67%).

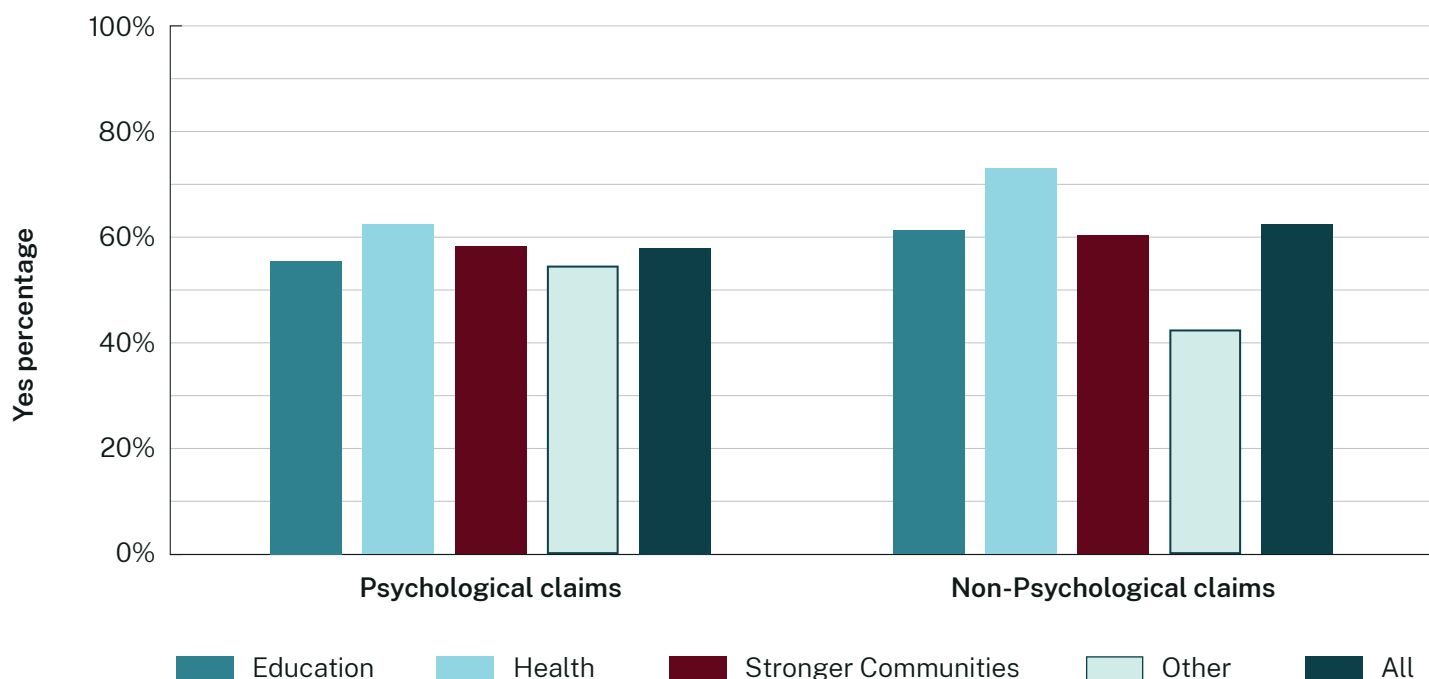
Where a notification of injury was late, findings showed the majority were delayed by over 7 days.

5.6.2. Criterion L2: Did the employer maintain supportive contact with the worker?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Insurer guidance	Guidelines for Workplace Return to Work Programs (1 March 2021)	Provides guidance to help employers, workers and other stakeholders understand their legal obligations in relation to return to work programs for their workplace.

The conformance results for criterion L2 are shown in Figure Z:

Figure Z: Did the employer maintain supportive contact with the worker?



For psychological injury claims, the highest result for conformance with this criterion was in Health (62%), then Stronger Communities (58%), then Education (55%) with lowest result in the Other smaller clusters (54%).

For non-psychological injury claims, the highest result for conformance with this criterion was in Health (73%), then Education (61%), then Stronger Communities (60%), with lowest result in the Other smaller clusters (42%).

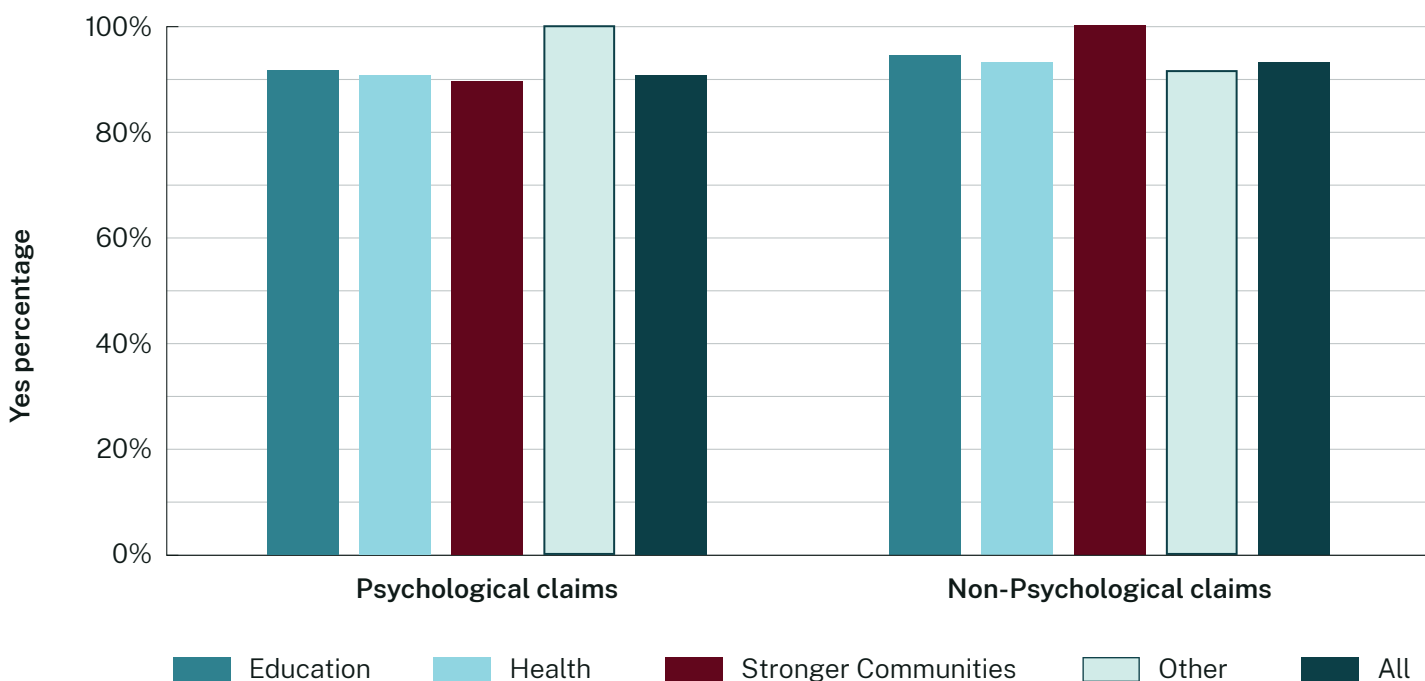
CSP's are not required to keep notes on file about employer contact with workers. Therefore the findings may not be a true reflection of how well employers are meeting their obligations. The findings do highlight the inconsistencies of record keeping between CSPs and employer files, which may impact on worker's return to work goals.

5.6.3. Criterion L3: Were suitable duties offered to support recovery at work?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Legislation	Section 49 1998 Act	If a worker who has been totally or partially incapacitated for work as a result of an injury is able to return to work (whether on a full-time or part-time basis and whether or not to his or her previous employment), the employer liable to pay compensation to the worker under this Act in respect of the injury must at the request of the worker provide suitable employment for the worker.
Insurer guidance	Guidelines for Workplace Return to Work Programs (1 March 2021)	Provides guidance to help employers, workers and other stakeholders understand their legal obligations in relation to return to work programs for their workplace.

The conformance results for criterion L3 are shown in Figure AA:

Figure AA: Were suitable duties offered to support recovery at work?



For psychological injury claims, the highest result for conformance with this criterion was in the Other smaller clusters (100%), then Education (92%), then Health (90%), with lowest result in Stronger Communities (89%).

Where conformance was not found, the findings showed there was lack of employer communication and collaboration with workers and their treating doctors, about work that would be suitable.

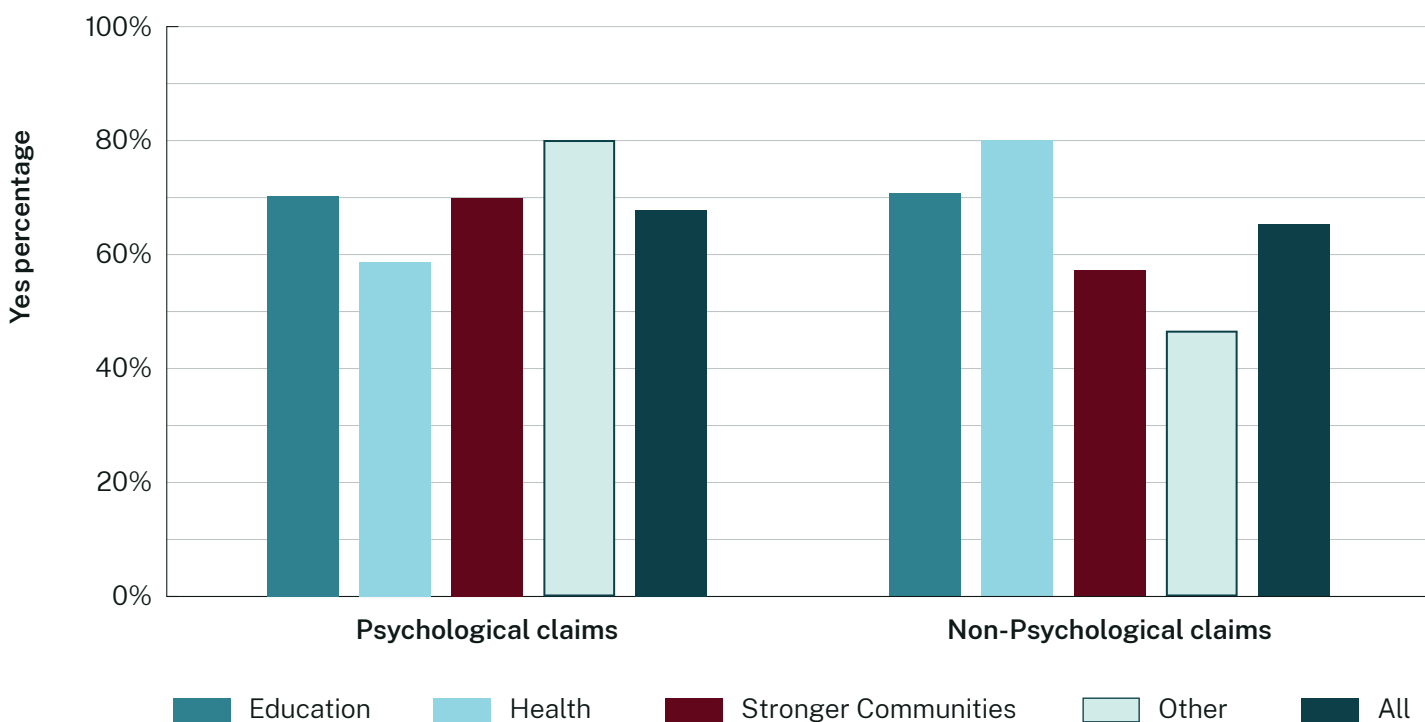
For non-psychological injury claims, the highest result for conformance with this criterion was in Stronger Communities (100%), then Education (94%), then Health (93%), with lowest result in the Other smaller clusters (92%).

5.6.4. Criterion L4: Is there evidence the employer developed a return to work plan in collaboration with the worker?

Category	Criteria legislative and/or SOP reference	Requirements and expectations
Insurer guidance	Guidelines for Workplace Return to Work Programs (1 March 2021)	Provides guidance to help employers, workers and other stakeholders understand their legal obligations in relation to return to work programs for their workplace.

The conformance results for criterion L4 are shown in Figure AB:

Figure AB: Did the employer develop a RTW plan in collaboration with the worker?



For psychological injury claims, the highest result for conformance with this criterion was in the Other smaller clusters (79%), then Education (70%), then Stronger Communities (69%) with lowest result in Health (58%),

For non-psychological injury claims, the highest result for conformance with this criterion was in Health (80%), then Education (70%), then Stronger Communities (57%), with lowest result in the Other smaller clusters (46%).

CSPs are not required to maintain worker's return to work records on file so the findings may not be a true reflection of how well employers are meeting their obligation to develop a return to work plan in collaboration with the worker. They do highlight the inconsistencies of record keeping between CSPs and employer files which may impact worker's return to work goals.

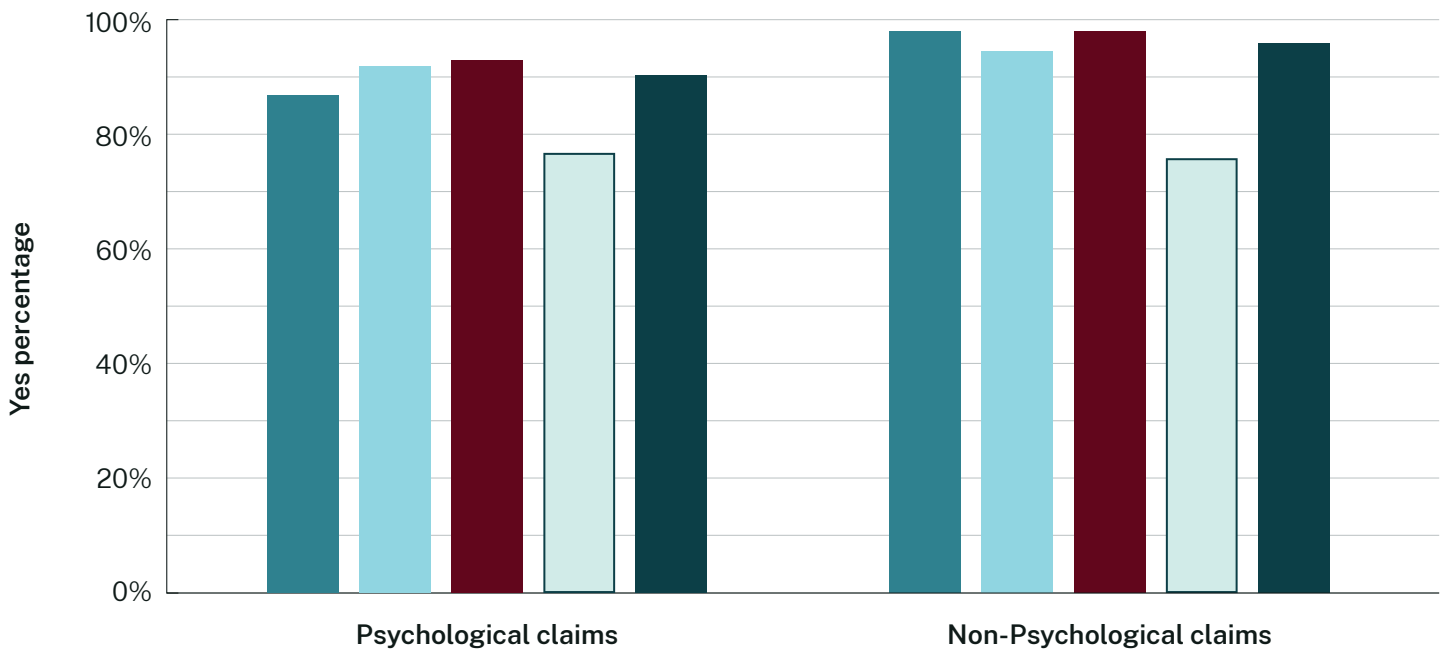
Where conformance was not found the findings showed:

- return to work plan was not found on file
- the plan was on file but did not involve collaboration with the worker.

5.6.5. Criterion L5: Did the employer try to influence the insurer to make an inappropriate decision?

The conformance results for Criterion L5 are shown in Figure AC:

Figure AC: The employer did not try to influence the CSP's decision?



For psychological injury claims, the highest result for conformance with this criterion was in Stronger Communities (94%), jointly Health (94%), and Education (90%), with lowest result in the Other smaller clusters (82%),

For non-psychological injury claims, the highest result for conformance with this criterion was jointly in Education (98%) and Stronger Communities (98%), then Health (96%), with lowest result in the Other smaller clusters (82%).

Where conformance was not found file evidence indicated:

- employers were questioning the CSP's intended claim liability decision
- employers were requesting legal advice from the CSP prior to a liability decision being made on psychological injury claims.

5.7. Average conformance results by Claims Service Providers

Each CSP demonstrated a wide variance in conformance with the review criteria.

The total average result for conformance to the review criteria was highest for Allianz (89%), then QBE (83%), and lowest result was for EML (81%).

All three CSPs had similar lower conformance results for developing and reviewing worker's injury management plans and the assessment of risks to delayed recovery.

The following table illustrates CSP's claims management average conformance against the review criteria, noting the employer action criteria is not applicable for this section.

Category / Criteria	Allianz % ⁶	EML %	QBE %
Claims management engagement			
Early, supportive contact with worker	98	91	97
Maintained contact with worker	95	86	81
Make & maintain contact with employer	88	74	77
Contact with treating doctor/specialist	90	73	90
Return to work strategy			
Identify risks for recovery (pre-April 2022)	94	80	86
Identify risks for recovery (post-April 2022)	70	69	81
Matched actions to address the risks identified	87	73	77
Injury management planning			
Matched actions were implemented	80	73	71
IMP developed within 20 working days	84	67	80
IMP meets SoP 12, 33 & s45	62	44	60
IMP reviewed and updated	55	39	56
Claims liability decisions			
Initial liability determination			
Informed full liability decision	97	94	100
Informed provisional liability decision	97	89	95
Informed reasonable excuse decision	78	55	98
Full liability decided in correct timeframe	97	90	100
Provisional liability decided in correct timeframe	96	83	90
Reasonable excuse decided in correct timeframe	79	89	100
Full liability requisite notice provided	93	94	95
Provisional liability requisite notice provided	73	76	82
Reasonable excuse requisite notice provided	79	75	54

⁶ Percentages are calculated on records relevant to the criterion under review and received a 'yes' or 'no' determination

Category / Criteria	Allianz % ⁵	EML %	QBE %
Claims liability decisions			
<i>Subsequent liability determination</i>			
Informed subsequent liability decision	99	91	98
Subsequent decision in correct timeframe	95	88	72
Subsequent decision requisite notice provided	88	91	77
<i>Claims for medicals, hospital and rehabilitation expenses</i>			
Informed medical liability decision	99	93	97
Medical liability decision in correct timeframe	92	90	83
Medical decision requisite notice provided	96	94	83
Permanent impairment determination			
Informed permanent impairment liability decision	100	99	100
Permanent impairment liability decision in correct timeframe	100	95	68
Permanent impairment requisite notice provided	100	88	97
Customer service conduct			
Resolved issue in line with SIRA CSCPs	98	91	84
Employer actions⁷			
Employer notified insurer within 48 hours	N/A	N/A	N/A
Employer maintained contact with worker	N/A	N/A	N/A
Employer offered the worker suitable duties	N/A	N/A	N/A
RTW plan was developed	N/A	N/A	N/A
Employer did not try to influence the CSP	N/A	N/A	N/A
Total average score	89	81	84

⁷ 'Employer Actions' review criteria are outside the control of the CSP and are non-applicable in this table.

5.8. Average conformance results by clusters

The total average result for conformance to the review criteria was highest for Education (87%), then Health (86%), then Other clusters (84%) and the lowest result was for Stronger Communities (80%).

The CSP's managing claims for the clusters had lower conformance results for developing and reviewing worker's injury management plans. Conformance results were particularly low for meeting SOP injury management planning requirements, reviewing and updating the Injury Management Plan.

The following table illustrates claims management average conformance against the review criteria by cluster.

Criteria by category	Education % ⁸	Health %	Stronger Communities %	Other %
Claims management engagement				
Early, supportive contact with worker	98	98	91	100
Maintained contact with worker	95	81	88	64
Make & maintain contact with employer	88	82	75	46
Contact with treating doctor/specialist	89	87	72	98
Return to work strategy				
Identify risks for recovery (pre-April 2022)	94	82	80	98
Identify risks for recovery (post-April 2022)	70	77	70	89
Matched actions to address the risks identified	86	77	72	79
Injury management planning				
Matched actions were implemented	79	78	71	69
IMP developed within 20 working days	84	87	63	83
IMP meets SoP 12, 33 & s45	58	75	39	53
IMP reviewed and updated	53	56	40	53
Claims liability decisions				
Initial liability determination				
Informed full liability decision	96	100	93	100
Informed provisional liability decision	97	100	87	99
Informed reasonable excuse decision	97	100	90	100
Full liability decided in correct timeframe	93	94	94	100
Provisional liability decided in correct timeframe	96	95	80	100
Reasonable excuse decided in correct timeframe	72	88	74	100
Full liability requisite notice provided	76	82	58	100
Provisional liability requisite notice provided	77	100	88	100
Reasonable excuse requisite notice provided	77	64	73	100
Subsequent liability determination				
Informed subsequent liability decision	100	96	91	93
Subsequent decision in correct timeframe	95	85	85	91
Subsequent decision requisite notice provided	87	88	88	99

⁸ Percentages are calculated on records relevant to the criterion under review and received a 'yes' or 'no' determination

Criteria by category	Education % ⁸	Health %	Stronger Communities %	Other %
Claims for medicals, hospital and rehabilitation expenses				
Informed medical liability decision	99	94	94	98
Medical liability decision in correct timeframe	96	82	91	70
Medical decision requisite notice provided	96	88	93	92
Permanent impairment determination				
Informed permanent impairment liability decision	100	99	99	100
Permanent impairment liability decision in correct timeframe	100	95	92	13
Permanent impairment requisite notice provided	100	98	87	100
Customer service conduct				
Resolved issue in line with SIRA CSCPs.	98	91	87	98
Employer actions				
Employer notified insurer within 48 hours	68	68	81	76
Employer maintained contact with worker	60	72	60	43
Employer offered the worker suitable duties	94	93	91	100
RTW plan was developed	70	78	58	48
Employer did not try to influence the CSP	97	95	97	82
Total average score	87	86	80	84

5.9. Average conformance results by psychological and non-psychological injury claims

The total average result for conformance to the review criteria was 83% for both psychological injury claims and non-psychological injury claims.

Criteria by category	Psychological injury claims % ⁵	Non-psychological injury claims %
Claims management engagement		
Early, supportive contact with worker	90	95
Maintained contact with worker	82	87
Make & maintain contact with employer	81	77
Contact with treating doctor/specialist	76	81
Return to work strategy		
Identify risks for recovery (pre-April 2022)	82	85
Identify risks for recovery (post-April 2022)	72	73
Matched actions to address the risks identified	74	78
Injury management planning		
Matched actions were implemented	73	75
IMP developed within 20 working days	75	74
IMP meets SoP 12, 33 & s45	50	54
IMP reviewed and updated	44	49
Claims liability decisions		
Initial liability determination		
Informed full liability decision	90	96
Informed provisional liability decision	93	93
Informed reasonable excuse decision	87	60
Full liability decided in correct timeframe	90	94
Provisional liability decided in correct timeframe	88	88
Reasonable excuse decided in correct timeframe	97	86
Full liability requisite notice provided	95	94
Provisional liability requisite notice provided	88	75
Reasonable excuse requisite notice provided	90	64
Subsequent liability determination		
Informed subsequent liability decision	95	94
Subsequent decision in correct timeframe	86	88
Subsequent decision requisite notice provided	91	87

Criteria by category	Psychological injury claims % ⁵	Non-psychological injury claims %
Claims for medicals, hospital and rehabilitation expenses		
Informed medical liability decision	95	96
Medical liability decision in correct timeframe	87	90
Medical decision requisite notice provided	90	94
Permanent impairment determination		
Informed permanent impairment liability decision	97	100
Permanent impairment liability decision in correct timeframe	86	92
Permanent impairment requisite notice provided	95	91
Customer service conduct		
Resolved issue in line with SIRA CSCPs	80	93
Employer actions		
Employer notified insurer within 48 hours	70	75
Employer maintained contact with worker	58	62
Employer offered the worker suitable duties	91	93
Return to work plan developed	67	65
Employer did not try to influence the CSP	93	97
Total average score	83	83

6. Observations

6.1.1. Observations

The following observations were made by SIRA. Whilst they are outside the scope of the review criteria, they have relevance to the overall findings of the review.

6.1.2. Missing documentation and information

Multiple claims managed by QBE had missing documentation and/or file notes that were unable to be viewed on the claims management system by SIRA during the review. These were subsequently provided on request.

It is understood that this is a known internal system issue and raises concern that information crucial to workers' treatment and recovery may not be able to be accessed when required.

6.1.3. Turnover of claims managers

SIRA observed that where frequent changes in claims manager occurred, this appeared to be particularly challenging for workers with psychological injury claims.

6.1.4. Early independent advice on psychological claims

SIRA observed that CSPs referred psychological injury notifications for legal advice prior to an initial liability decision being made, when claims manager had sufficient information to make an informed decision. This was seen to incur unnecessary activity and costs on the claim and was not observed on non-psychological injury notifications.

Similarly, requests for factual investigations and independent medical examinations early in psychological injury claims, which may have an impact on establishing early empathetic engagement with workers.

7. Appendix A: TMF review audit criteria

TMF review audit criteria	Number of psychological injury claims	Number of non-psychological injury claims
Claims management engagement		
A1. Did the insurer make early, supportive contact with the worker?	179	194
A2. Did the insurer maintain contact with the worker and make contact at relevant times and milestones on the claim?	476	401
A3. Did the insurer make and maintain regular contact with employer where required?	447	378
A4. Did the insurer have relevant and appropriate contact with the worker's treating doctor/specialist?	457	361
Return to work strategy		
B1. Did the insurer gather information to identify risks for delayed recovery across the claim (pre-April 2022)?	305	214
B2. Did the insurer gather information to identify risks for delayed recovery across the 4 domains? (post-April 2022):	220	187
B3. Did the insurer determine and document, in collaboration with the relevant stakeholders, matched actions to address the risks identified?	378	284
Injury management planning		
C1. Is there evidence on the claim file that the determined matched actions were implemented?	376	265
C2. Was an IMP developed within 20 working days from identification of a workplace injury as likely to be a significant injury?	178	135
C3. Did the IMP meet all necessary requirements in SoP 12, 33 & s45?	326	204
C4. Did the insurer collaborate with stakeholders and drive, review and update the IMP where required?	374	234
Claims liability decisions		
Full liability determination		
D1. Was the appropriate evidence obtained in making the decision?	37	101
D2. Was the decision made in the correct timeframe?	37	104
D3. Was the requisite notice provided?	36	99

TMF review audit criteria	Number of psychological injury claims	Number of non-psychological injury claims
Provisional liability		
E1. Was the appropriate evidence obtained in making the decision?	112	94
E2. Was the decision made in the correct timeframe?	115	95
E3. Was the requisite notice provided?	115	93
Reasonable excuse liability		
F1. Was the appropriate evidence obtained in making the decision?	47	16
F2. Was the decision made in the correct timeframe?	46	15
F3. Was the requisite notice provided?	45	14
Subsequent liability determination		
G1. Was the appropriate evidence obtained in making the decision?	195	117
G2. Was the decision made in the correct timeframe?	194	118
G3. Was the requisite notice provided?	194	116
Claims for medicals, hospital and rehabilitation expenses		
H1. Was the appropriate evidence obtained in making the decision?	405	333
H2. Was the decision made in the correct timeframe?	394	332
H3. Was the requisite notice provided?	312	272
Permanent Impairment decisions		
I1. Was the appropriate evidence obtained in making the decision?	60	20
I2. Was the decision made in the correct timeframe?	54	13
I3. Was the requisite notice provided?	41	12
Customer service conduct		
K1. Did the insurer demonstrate efforts to resolve any customer issues or complaints in line with SIRA's Customer Service Conduct Principles?	260	175
Employer actions		
L1. Did the employer notify the insurer within 48 hours of becoming aware of the injury?	201	214
L2. Is there evidence that the employer maintained regular, supportive contact with the worker throughout the claim?	343	299
L3. Did the employer offer the worker duties to support their recovery at work, or have documented a valid reason why duties were not offered?	256	243
L4. Is there evidence that the employer developed a RTW plan in collaboration with the worker?	188	211
L5. The evidence shows that the employer did not try to influence the insurer to make an inappropriate decision	421	359

Disclaimer

This publication may contain information that relates to the regulation of workers compensation insurance, motor accident compulsory third party (CTP) insurance and home building compensation in NSW. This publication does not represent a comprehensive statement of the law as it applies to particular problems or to individuals, or as a substitute for legal advice.

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