

SUBMISSION

To: consultation@sira.nsw.gov.au

From: Northern Recruitment Pty Ltd ATF The Tamworth Workforce Extensions Unit Trust.

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I

do

Please tick one

do not

Wish to have our submission published.

1.0 PREMIUMS

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

1 (Poor)	2 (Fair)	3 (Neutral)	4 (Good)	5 (Excellent)
x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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

Insurance premiums have increased dramatically under the new model compared to the old model system. There has been huge delays in final premium adjustment notices being issued with no explanation provided on the reason for the significant delay. (Last one was 9.5 months after EOY).

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

A more timely release of final premiums. Waiting up to 10 months can have a devastating effect on a business' cash flow and budgeting, especially in our industry.

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

Procrastinating when calculating final premium adjustments.

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

Premiums are divided into two categories. I will only comment on the experience based category. These premiums are based on the cost of claims. Employers paying these premiums wear the financial burden of the system and yet have no control in how a claim is accepted or managed. Nor do they any recourse if they feel a claim is poorly managed by the claims agent or if the injured worker is "milking" the claim with the help (knowingly or unknowingly) of the NTD. Employers are being severely affected financially by matters outside of their control. There should be a system to remove these anomalies from premium calculations.

2.0 CLAIMS MANAGEMENT

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

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

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

When everything “lines up” and everyone is “on board” the management is reasonable. When there are anomalies or non-conformances, the management struggles (to put it politely). Reducing the claims agents from 5 down to essentially 1 in 2018 has caused major service issues. With that, icare’s change in claims model has led to poor RTW outcomes and a significant lack in communication from case managers. Prior to icare’s control of the claims model, we were afforded a dedicated case manager who understood our business requirements and grew a working relationship with our RTW coordinator. A significant market increase in turn has been detrimental to EML’s services.

2.3 From your perspective, what impact has icare’s new claims management processes had on return to work outcomes and the customer experience? Return to work outcomes are good if all parties are on the same page and these outcomes are often realised prior to the management system coming into play. The new triage system and on line notification results in poorer RTW outcomes in most of the cases we have experienced. Automatic generation of generic letters and notifications have also led to confusion for injured workers, especially those who have already RTW. Over worked case managers has also led to the acceptance of every claim and a failure to spend adequate time in strategic planning to assist our RTW coordinator with RTW outcomes.

2.4 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing *more of*? Communication, especially in a timely manner and with a personal touch. Upskilling and empowering case managers to make claim decisions and communication on claim decisions. Simply having a Technical Specialist review a claim and then advice a case manager of a determination with no communication and reasoning provided to employers is not acceptable.

2.5 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing *less of*? Procrastination, especially around non-conformance issues.

2.6 Are there any improvements you would like to suggest regarding claims management? I would like to see the return of dedicated service teams for experienced based premium employers. In the past it has allowed for quicker responses to a claim and therefore better on-going management. These teams got to understand the employer, their business, and their staff. Claims were managed effectively and in a timely manner. Communication was good and issues resolved.

3.0 OTHER QUESTIONS

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

Reporting. We have not been able to receive any reports from our scheme agents on the ongoing costs of claims since the implementation of Guidewire. Understanding the ongoing costs of claims are important to business for both budgeting and costings.

Acceptance of claims on a workers "say so" when all other evidence points elsewhere. We had a claim accepted 3 months after the alleged incident and 6 weeks after the worker ceased employment.

Competition. When there was more than one scheme agent you had the ability to choose one that best meet the needs of your business. You were also able to improve claims management by moving away from a poorly performing agent. Under the new system we have no choice on claim management.

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

Implementation of an accurate, timely and accessible reporting system for both scheme agents, brokers and employers.

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

The system punishes experience based premium employers in that they wear the financial burden of the whole system and there is no recompense on other employers for poor outcomes that add a financial burden on the system by increasing WIC rates.