Premiums questions

EML are not accountable to anyone, being in a monopolistic position provides no competition and no alternative for employers dissatisfied with the way their claim(s) have been handled. Case management is poor, very passive and at time non-existent leading to a blow out in claim duration and costs, which the businesses of NSW will ultimately have to pay for. When escalating issues to icare they are unresponsive.

Claims management questions

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).

icare provider services – 1

Unsupportive, with a lack of accountability and responsibility. Getting someone accountable for the issue is impossible. Have all the data but do not share this – e.g. giving number of cases referred to rehabilitation pre and post "matrix" changes. No feedback on rehabilitation provider performance aside from the 6 month statistics. As a government entity the lack of transparency is concerning.

Rate changes – unable to clarify a rate change. The initial setting of rates for provision of rehabilitation services was not really a negotiation. We offered rates and they wouldn't accept but would not tell us what the rate was, process continued until a rate was given they were happy with.

Rehabilitation Deed – what are the benefits of being on this deed, we spend approx. $150K on reporting requirements and are locked to a fixed rate whereas other providers off deed are not. Self reporting of statistics doesn't appear to be audited for veracity leaving it up to the integrity of each reporting entity. An example – we asked for clarification whether our costs should be GST inclusive or exclusive which is unclear. We were informed inclusive of GST, yet no communication was sent to the group of rehabilitation providers clarifying this, essentially there could be providers reporting costs ex GST and appearing 10% cheaper from a cost perspective. The deed unfairly locks those on the deed into a fixed rate and strict reporting conditions.

Innovation
icare are after innovation but anything that has been suggested outside of deed shut down and not given any thought or assessment. Examples can be provided if needed.

icare communication
When issues are raised with how EML are interpreting information provided by icare, we approach icare and give them our feedback and this doesn't seem to get communicated back to EML and back down through to the case managers on the frontline.
Meetings seem to be almost a formal ticking of the box. Issues raised are never followed up and never addressed.
Lack of transparency or explanation on how the distribution of rehabilitation referral process works.
When asking questions on how the "matrix" works it is always defended but never explained.

icare service review – All providers need to do a service review at 3 months and 2 months thereafter. EML understood this was an icare requirement but had no process for receiving these reviews. We have not received any feedback on these reviews to date. No agent interaction regarding these service reviews.

System Change
Changes have been extensive and not managed well. Nothing has been given due consideration, thought. Rather than piloting new initiatives that are unfounded to test their efficacy they are pushing this out to the whole scheme. The new "matrix" for rehabilitation referrals is an example – a modification to the matrix was rolled out in August 2018, referrals to rehabilitation dropped 80% with no indication as to why this was the case, no feedback as to our performance. The only answer given was a tweak in the matrix was made. There is no medical evidence that reducing referrals to rehabilitation would benefit the worker.

EML - 1

Introduction of EML as sole agent has left them unprepared, unskilled, and inexperienced.

Case Managers
Hard to get in touch with designated case managers.

Administrative process is hamstringing the scheme. EML case managers have conveyed that it takes them 45 minutes to refer to rehabilitation due to clunky internal systems/processes.

Difficulties with service request approvals. Cost requests are getting knocked back or accepted with substantial services reduced or cut with no sound clinical reasoning. Where is the direction coming to not use/engage rehabilitation? Simple process of introducing a deed for rehabilitation providers and having specific services and timeframes to complete those services has cut out most of the excessive spend in rehabilitation.

EML case managers need more training, they appear to be working off limited processes with limited scope. An example is a request to close rehabilitation files when the worker is back to pre-injury hours but still with restrictions on their duties (could only lift 2kg). This is the critical stage in the claim where the rehabilitation provider is needed the most.

EML provider services – 1

No accountability with an unwillingness to take responsibility. Information discussed in depth with provider services appears to go no further than face to face meetings.

No feedback taken on these newly implemented systems.

Allianz – 4

GIO – 4

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?

A psychological injury was claimed, bullying and harassment from management was alleged, but at no time did EML let management know of the cause of the injury so we could put safeguards in place to make a safe workplace and prevent any future injuries to other staff.

Under section 11A of the Workers Compensation Act 1987 (NSW), stress leave claims cannot be made if the stress results from "reasonable" actions taken by an employer. However, workers compensation cases have essentially held that "reasonable" action by an employer may also mean "fair action". Our claim should not have been provisionally accepted. The individual was terminated, then went to doctor the day after termination. This should have been an IR issue not a WC issue. Seems to be a systemic disregard for this section within the current scheme.

Factual investigation process

- One sided – only employer participated
- Worker never participated, arranging meetings and cancelling at last moment
- Took 13 weeks, with pressure from [redacted] EML for decision
- Then liability was accepted due to insufficient evidence

It should be mandatory that all parties participate in a factual investigation, there are methods that could be used to ensure participation such as suspending payments for non-compliance.

Social Media investigations

- Surely red flags must be raised when someone who has no capacity to work and is posting pictures of drinking and socialising late into the night. When reported to EML it was brushed off as this could have been recommended to worker by psychologist to aide her recovery. We never received evidence that the publicly accessible images sent to EML were considered in their decision.

When issues were raised with icare they mentioned they would look into them and get back to us, we are still waiting.

Lodged complaint with icare on the [redacted] and still had received no response on the [redacted] except that they had received my complaint and were looking into it. Made a call on the [redacted] and was told they had looked into it and would get back to me, have never heard from them.

Our claim ran from [redacted]

Distinct lack of communication from case manager

- had to call our case manager for every update, sometimes waiting 1-2 weeks before calling as to not be perceived as too pushy.
- still don't know the rehabilitation provider assigned to the case. On a side note regarding the rehabilitation provider, there does not appear to be any oversight from icare ensuring rehabilitation providers adhere to the deed they have signed regarding contact with all parties to a claim. Additionally, this question was asked in an email of our case manager with no response.

Comments from EML case manager over phone that they each had in excess of 50 cases and were finding it hard to manage effectively.

No accountability of case managers

2.3 From your perspective, what impact has icare's new claims management processes had on return to work outcomes and the customer experience?

Employer feedback – massive frustrations with the workers' insurance scheme especially in regards to duration, timeliness of communication and approval of services.

NPS seems to be a very subjective measure but one that is given much weight.

RTW outcomes are poorer – our experience relates to when a rehabilitation provider is on a case, service requests are taking longer and are delayed in their acceptance.

Seems to be a general trend in acceptance of psychological injuries that are contentious. Under section 11A of the Workers Compensation Act 1987 (NSW), stress leave claims cannot be made if the stress results from "reasonable" actions taken by an employer.

2.4 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing more of?

Communicating – amongst themselves and with all parties in a claim.

Transparency in their systems – how does the matrix work, who determines when to engage rehabilitation. Understanding of the systems used by case managers, no transparency and very much a black box. No invite to rehabilitation providers to understand their systems.

Refer and use the deed document for rehabilitation services. icare need to ensure this document is adhered to and the scheme agents need to be acutely aware of this document and incorporate it into their systems and processes.

No accountability of EML, report to icare and nothing is done.

Brokers have clients with issues with specific claims that have been poorly managed by EML are putting in submissions to icare asking for the claim costs not to be added to their premiums, icare are then reducing the claims costs for these claims, thereby acknowledging that EML are doing a poor job.

2.5 What should the Nominal Insurer (icare) and/or its scheme agents EML, Allianz and GIO be doing less of?

Managing injured workers case internally rather than referring to rehabilitation providers on cases with medically trained personnel are needed.

Scheme agents need to stop overstepping their return to work role.

Ideally a clear definition of where a scheme agent should be involved and to what extent should be stipulated.

Less obstructive in terms of provisions of rehabilitation services where justified.

2.6 Are there any improvements you would like to suggest regarding claims management?

Other questions

Aside from your experience and views on premiums and claims management by the Nominal Insurer (icare), the scope also includes a review of changes to the Nominal Insurer's operating model, its data quality and reporting. We are interested in any other matters you may want to raise.

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

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

Appropriate referral to rehabilitation, take administrative overhead out of the system.

Accessibility of case managers – feedback is they are managing too many cases. Inexperienced, not enough case managers allocated, internal admin systems not efficient – admin request and referral approval – time consuming. Having to chase up service requests.

We urge for an immediate overhaul of the current scheme regarding the number of scheme agents. icare need to open the scheme up to other scheme agents, giving business the choice, encouraging healthy competition and ultimately resulting in a better customer experience.

More transparency in systems, can lead to collaboration and in small areas can create huge efficiencies.

Monthly data as simple as number of injuries, cases referred to rehabilitation providers, closed cases, upgrades should be publicly accessible. Icare should be able to provide this data.

Clarification on the acceptance of psychological injuries that are contentious. Under section 11A of the Workers Compensation Act 1987 (NSW), stress leave claims cannot be made if the stress results from "reasonable" actions taken by an employer.

EML are replacing rehabilitation providers who are highly skilled medically trained professionals with EML case manager who generally have no medical training. There has been a distinct lack of consultation with ARPA and other stakeholders, in making transformational changes to the workers insurance scheme there appears to be a lack of emphasis on delivering the best outcomes and benefits to workers with an injury and their employers. If due diligence has been performed where is the evidence/data.