



Recover at Work Assist for Small Business - FAQs

What is Recover at Work Assist for Small Business?

Recover at Work Assist for Small Business aims to help small businesses overcome financial difficulty when providing suitable work to a worker recovering from a work-related injury or illness. It provides payments up to \$400 per week for six weeks to help offset the costs of covering a worker's usual duties while he or she recovers at work. The program is available in the first 26 weeks from the date the claim was entered into the insurer's system.

How does the program help employers?

When a worker suffers a work-related injury or illness the employer may need to hire another worker to take over some or all of the duties. The Recover at Work Assist employer assistance payments help pay for the hiring of another worker thereby reducing the impact of lost productivity, relieving some of the financial stress and maintaining daily business operations. The Recover at Work Assist for Small Business program (the program) helps the employer identify and provide suitable work for the worker and retain their skills and knowledge. It also helps the employer develop a recovery at work culture and maintain good employer-employee relationships.

How does the program help workers?

Research shows that early return to work after a work-place injury or illness has important health and wellbeing benefits and can aid the recovery process. It reduces the risk of long-term disability and unemployment. The program helps the worker remain connected to the workplace, stay active and maintain a routine, use work to recover and increase tasks and capacity as their injury improves.

Why is SIRA trialling the program?

The NSW workers compensation system is focussed on supporting workers to recover at or return to work after a work-related injury or illness. Under workers compensation legislation SIRA has the ability to design programs to assist

with return to work¹. By trialling the program SIRA will be able to evaluate whether it is useful, serves its purpose and should continue.

How does the eligibility criteria work for employers and workers?

A worker is eligible for the program if they have current work capacity, are receiving weekly payments under the *Workers Compensation Act 1987* (1987 Act) and have not exceeded 26 weeks from the date the claim was entered into the insurers system. An employer is eligible for the program if they:

- employ up to 19 full-time (or equivalent) workers,
- pay a basic premium tariff of \$30,000 or less,
- hold a current workers compensation policy with an insurer in NSW,
- can demonstrate that alternative arrangements have been made to carry out the worker's pre-injury duties and this will cause financial hardship, and
- can prove it is not reasonably practicable to offer suitable employment under section 49 of the *Workplace Injury Management and Workers Compensation Act 1998*.

The insurer will determine whether the employer meets the eligibility criteria on a case-by-case basis. If a worker and employer meet SIRA's eligibility criteria and program requirements, the worker and employer's use of the program will be accepted, and the insurer will administer the program costs. Eligibility should be assessed throughout the program. The insurer must be notified if circumstances change and affect the eligibility of the worker and/or the employer.

¹ Section 53 of the *Workplace Injury Management and Workers Compensation Act 1998*

What happens if there is a disagreement about eligibility?

If there is a disagreement about eligibility or use of the program, the worker and/or employer should try to resolve the matter with the insurer in the first instance. The worker can also ask WIRO to help contact the insurer. If the insurer decides an application does not meet eligibility criteria and program requirements, a worker and/or employer can request a review from SIRA.

What happens if the eligibility criteria is not met?

SIRA has a range of programs to support recovery at work. If an employer or worker does not meet the criteria for this program, the worker may be eligible for another program such as a work trial to support their recovery at work. More resources for other SIRA funded programs to support recover at work are available at www.sira.nsw.gov.au

How should the program be implemented?

During the planning discussions with the worker and employer, the insurer may identify if the Recover at Work Assist for Small Business program is an appropriate recover at work strategy and engage a Workplace Rehabilitation Provider (WRP). If an employer or WRP believes the program will assist a worker to recover at work, they should discuss eligibility with the insurer as soon as possible. The insurer must ensure key activities are completed prior to program commencement including a workplace assessment and recover at work plan. The insurer must also:

- confirm both the worker and employer meet the eligibility criteria,
- accept the worker and employer for the program,
- sign a completed Vocational program – details form before starting the program,
- give a copy of the signed form to the worker and employer,
- update the worker's injury management plan, and
- administer assistance payments.

Who monitors the program once it has commenced?

The WRP facilitates commencement of the program and monitors recover at work progress. The WRP provides progress updates to the worker's employer and the insurer in order to identify and manage any issues or concerns as they arise.

How does the employer receive their weekly assistance payment?

The assistance payment is claimed (and paid directly to) the employer by the insurer using the Vocational program – claim for payment form. Up to \$400 is payable per week. The amount paid will be either \$400 or the worker's per-injury average weekly wage earnings (PIAWE) if the PIAWE amount is less than \$400. The employer and insurer should negotiate a payment schedule which is easy to administer and will maximise the worker's recover at work outcome.

If employment arrangements change or the worker returns to their pre-injury duties, the employer assistance payment will be calculated on the number of weeks that the employer needed assistance up until the date the

worker was certified fit for their pre-injury duties or the employment arrangement changed.

If the worker commences the program and requires time off work (for example, for surgery or annual leave), assistance payments are not payable during the employee's absence.

Assistance payments can be recommended at any time provided the worker and employer remain eligible for the program (i.e. it has been less than 26 weeks since the claim was entered into the insurers system, and the 6-week program participation period has not been exceeded). Insurers must have controls in place to prevent duplicate payments being made and claimed.

How are the weekly assistance payments taxed?

Employers should consult their accountant or the Australian Tax Office about how the assistance payment should be treated for taxation purposes.

How do insurers get reimbursed?

Insurers can request reimbursement from SIRA for the program costs. Insurers and agents are to ensure that all claims for reimbursement can be substantiated. Substantiated means programs are approved and supported by appropriate evidence of the expenses.

When should the program be discontinued?

Reviews should be undertaken in accordance with the recover at work plan to ensure tasks are performed safely and the worker is progressing as expected towards the recover at work goal. The program may be discontinued if the worker is not progressing as expected and the program or recover at work plan is no longer suitable. (Note: It is recommended that insurers do not make a work capacity decision that would adversely affect the worker's entitlements to weekly payments while the worker is undertaking the program).

What happens once the program has been completed?

The insurer and WRP liaise with the employer and the worker to facilitate a smooth transition from the program to any other return to work assistance. For example, if the worker continues to have partial capacity for work at the end of the program, further assistance can be provided through an ongoing recover at work plan or an alternative recover at work strategy to return the worker to their pre-injury work status. No further payments are available under the program once the maximum amount of payments (6 weeks) have been made. The provider must evaluate the success of the return to work plan against the goals of the program.

What level of reporting is required?

The insurer must send a closure report to SIRA by email to vocprograms@sira.nsw.gov.au within five working days of completion of the Recover at Work Assist for Small Business program. The report will enable SIRA to evaluate the benefits of the program and identify improvements. It will also help the insurer, employer and worker to determine if any further return to work assistance is required.

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