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SIRA Nominal Insurer Review
Submission by ACA Health Benefits Fund
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Because we care...

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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)



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

Other than SIRA's premium principles, there is no transparent costing model made available to employers, or one that is clear to employers. While I understand that each business is different, the costing model should be made clear to employers and be applied uniformly. If/when a variation exists, it must be clearly explained and documented.

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

It is difficult to track the work that iCare has been doing pertaining workers compensation premiums. The most recent update was that "*workers' insurance premiums has been increased for the 2019-20 policy year, due in large part to rising medical costs when an injury does occur.*" As to the actual activities or work that have taken place for iCare to reach this decision, are unknown.

Additionally, employers have been notified that there have been changes to the Loss Prevention and Recovery (LPR) factors and industry classification rates, resulting the increase. It has been unclear as to what the changes are and how have they contributed to the price increase.

Despite all this, the only way to reduce this impact, in ACA Health's opinion, is a better and smarter claim management process, as well as recovery support options that is beyond traditional medical services (for both mental health and physical injuries).

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

As previously mentioned, it has been difficult to track the work iCare has been doing on workers compensation premiums. At ACA Health, we are tracking by following iCare's press releases /news advertised in iCare website including the "Keeping You Looped" email updates, as well as updates through our LPR coordinators and the agent (GIO).

It would be beneficial if iCare maintains a register of work it is currently undertaking/have been undertaken (single source of truth), or a direct communication channel, especially for RPL employers, to keeping track on incentives, ideas and the work iCare has, currently and will be undertaking.

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

A transparent costing model for premium calculations (as per 1.2). Workers compensation costs are 'too high', therefore, – employers need to understand all the components of the costs.

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)

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?

- No definitive advice, inconsistencies and no single source of truth;
- Blow-out in timeframes;
- Denied access to report that we believe to be our legal right;
- Agent – poor documentation and paperwork i.e. missing doctor certificate.

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

Not applicable.

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

iCare should continually review its agents and their claim management processes and report them back to employers. It should determine whether agents should be certified for the work they are doing based on KPIs.

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

Entertain "guilty until proven innocent" notion regarding Mental Health claims. Instead, iCare is in a premier position to provide clarity and make recommendations for legislation on Mental Health.

It is important to acknowledge that "Not all incidents are claims", the injury must still satisfy the definition of injury and "whether employment was the main contributing factor to the injury."

ACA Health would like to emphasize that, as an employer, both physical and mental health are an integral and essential component of health, and that it is important that all our employees are able to cope with the normal stresses of life, can work productively and fruitfully, and able to make a contribution to her or his community.

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

1

Employer should be informed on what are the KPIs that would apply to agents, and whether the agent is meeting that KPIs (to ascertain whether ours is an aberration or outlier).

2

ACA Health recommends that as a matter of a good process, agents must provide employers a timeline that can be tracked into the process, for a claim management to start. A variation from this timeline will follow on circumstances, but it must be clearly explained and documented. This provide employer a structure to a claim and assist in gaining confidence in the process.

3

A mechanism or procedures to take any concerns complaints if dissatisfied with any aspect of our relationship with iCare agents.

3.0 OTHER QUESTIONS

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

As an employer, it is difficult to see any incentive for iCare's agents to close claims efficiently or to manage cases well.

ACA Health has been notified that agents are given KPIs, however, they are not made available to ACA Health.

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

See 2.6.

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

ACA Health would like to recommend that iCare or other proper party to implement:

an "accreditation" program for GPs dealing with Mental Health claims that is regulated/monitored, to increase employers' confidence.

We are aware that GPs are clinically trained to assess and diagnose mental health conditions however employees will eventually fix on GPs that would diagnose in their favour. There is also is no process to stop a person to keep seeing different GPs until he/she found the intended outcome. This in itself a process flaw, and accreditation can help providing consistencies and increase confidence in the claims.

We are **not** asserting that GPs are irresponsible or incapable to provide a diagnosis, however, Mental Health is a complex medical condition. The diagnosis is often made by integrating the GP's best interpretation of the patient's problems with their observations of responses and behaviours during the interaction. Highly skilled GPs with specific psychological expertise are very capable of critically thinking and making these clinical decisions to form diagnoses. Accreditations however will assert the importance of highly skilled GPs in claims processes, especially without reliable and measureable biological markers to accurately diagnose mental health conditions.

Where there is a different of opinions between providers, there need to be a mediation in place straightaway (time sensitive).