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**State Insurance Regulatory Authority**

**Discussion paper on**

**return to work assistance**

**Submission from Insurance & Care NSW**

**(icare)**

**dust diseases care / lifetime care / self insurance / workers insurance**

icare™ is the brand of Insurance & Care NSW, and acts for the Workers Compensation Nominal Insurer and provides services to Workers Compensation (Dust Diseases) Authority, Lifetime Care and Support Authority, Sporting Injuries Authority and NSW Self Insurance Corporation.

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## Introduction

icare welcomes the new return to work assistance provisions that form part of the 2015 benefit reforms and the potential empowerment that these provisions give to injured workers.

icare Workers Insurance acknowledges that through the current NSW workers compensation system, existing vocational rehabilitation programs have pathways and controls in place which aim to facilitate an injured worker to successfully return to work. However, these pathways do not always result in a successful return to work outcome for injured workers. As such, icare Workers Insurance would query their continued application or utility to the scheme given the relatively poor outcomes produced.

The new provisions should serve to empower injured workers and provide additional support, thereby enabling a successful return to work when existing pathways have either;

- not been utilised due to the complexity of the existing system;
- not been utilised due to administrative hurdles; or
- have been exhausted without a successful return to work outcome having been achieved.

Further complex regulation, restrictive refinements, red tape or administrative burdens will lead to frustration and uncertainty for injured workers and consequently to under-utilisation and disputes which result in greater costs to all stakeholders.

As the new provisions are intended to supplement the existing SIRA vocational rehabilitation programs (administered under section 53 of the *Workplace Injury Management and Workers Compensation Act 1998*), it is essential that the new regulation is appropriately designed, providing a clear distinction between the existing and new regulation, and the application.

The outcome should be a cost effective, well integrated result that embodies a philosophy of transparency, simplicity and fairness.

The New South Wales Workers Compensation Insurance Scheme is funded by premiums from the State's employers. It is recommended that any return to work costs model consider the direct and indirect costs to these employers, and that any return to work assistance funded education undertaken by an injured worker is accredited in accordance with the NSW Department of Industry, State Training Services' Vocational Education and Training (VET).

## **icare guiding principles**

In the development of the regulatory return to work assistance framework, icare suggests a number of guiding principles be taken into account, including that the new return to work assistance be designed to:

- facilitate quick and easy readiness to return to work for injured workers;
- incentivise injured workers to seek new feasible return to work options;
- enable injured workers to return to many types of paid employment encompassing casual, part time and full time employment;
- facilitate work focused education accredited in accordance with existing NSW schemes and providers and falling in line with the NSW VET list;
- make any work related course eligible, provided that both the insurer and the injured worker are satisfied that the injured worker will benefit and there is a reasonable prospect of employment; and
- give control and motivate the injured worker to take ownership of their future independent working life.

## Conclusion

icare would be pleased to provide any further information required to assist with the development of a regulation that provides a fair and effective process to facilitate a successful return to work for injured workers.

icare would recommend that any proposed solution takes into account the opportunity to develop a clear and effective return to work assistance process taking into account the existing legislation, vocational rehabilitation programs and addressing any potential confusion or overlapping with the new additional provisions.