

State Insurance Regulatory Authority: Plan 2016–17

Working together

It's better regulation

SIRA plays a vital role in sustainable insurance and support systems

About SIRA

The State Insurance Regulatory Authority (SIRA) regulates workers compensation insurance and related activities, motor accidents Compulsory Third Party (CTP) insurance and home building compensation insurance.

SIRA makes sure people who suffer injury or loss are looked after; insurance is affordable, well managed and sustainable. SIRA includes:

- Workers compensation regulation
- Motor Accidents Insurance Regulation
- Home Building Compensation Fund
- Dispute resolution for regulated insurance.

SIRA is a statutory corporation, reporting to an independent board, and is part of the Better Regulation Division (BRD). BRD is made up of a group of regulators with a shared purpose of creating regulatory approaches that promote competitiveness, protection and confidence.

BRD also includes SafeWork NSW and the Commerce Regulation Program.

BRD is part of the Department of Finance, Services & Innovation (DFSI). The cluster covers six broad functions:

- Customer Transactions
- Regulation
- Property & Asset
- Revenue
- ICT & Digital
- Corporate & Government Services.

We advance wellbeing and confidence

What is our purpose?

We advance the wellbeing and confidence of the people and businesses of NSW through sustainable insurance and support systems, so they can actively engage in the economy and society.

There are certain risks in our community – like car accident injuries, injuries at work, home building company insolvencies – that if left unmanaged will erode wellbeing and confidence. As a result we have compulsory insurance and support systems that address these risks.

Our purpose is to ensure that these insurance and support systems deliver what they are supposed to, at an affordable price and in a sustainable way.

Our mission

We undertake system wide stewardship to make sure our insurance and support systems deliver confidence through affordable protection and wellbeing, through recovery and restoration.



Confidence through affordable protection

Purchaser experience and outcomes



Wellbeing through recovery and restoration

Claimant experience and outcomes

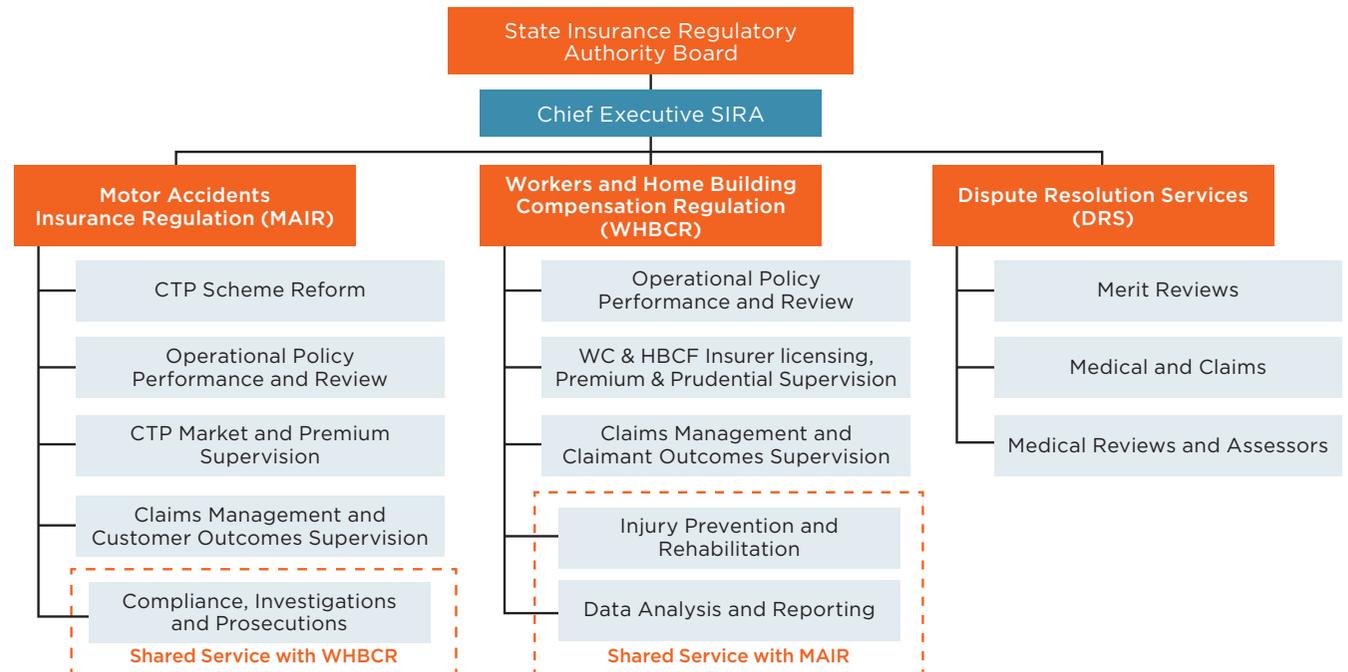
SIRA will be data driven and innovative

Our philosophy

We will be known for being:

- innovative and collaborative
- data and digital driven
- risk-based
- customer focused
- a credible and trusted regulator
- an influential, active contributor.

SIRA structure

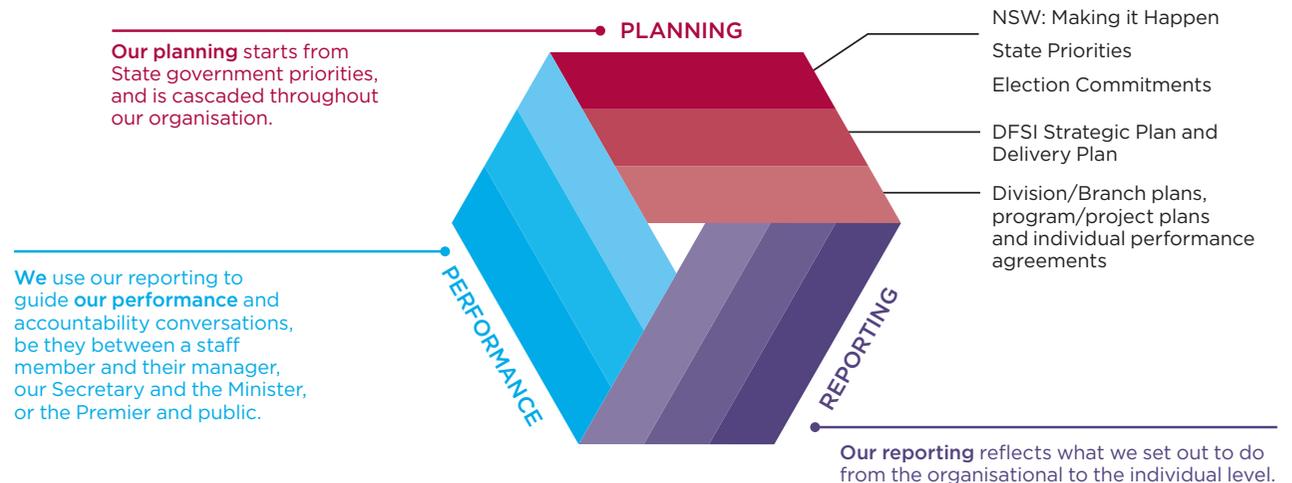


SIRA uses planning, performance and reporting as a framework

SIRA and DFSI

SIRA aligns to the DFSI outcomes of:	
Services	Simplified, efficient service improves customer satisfaction.
Regulation	NSW is a competitive, fair and secure marketplace.
Innovation	An innovative NSW government is digital, lean and connected.
Finances	Strong State finances are supported by effective property, asset, and revenue management.
People	We are a great place to work.

Our planning framework



SIRA key risks

The Better Regulation Division is developing a risk management framework which includes strategic risks, operational risks, and mitigation strategies. Identified risks with the delivery of this plan.

SIRA strategic focus and programs of work 2016–17



KEY FOCUS AREA - CLAIMANT EXPERIENCES AND OUTCOMES



SUCCESS MEASURES



PROJECT AND INITIATIVES

SUCCESS MEASURES	PROJECT AND INITIATIVES			
	Scheme design and performance	Data/digital/innovation (SIRA strategies will form part of the BRD digital/ICT strategy)	Insurer performance	Service provider performance
<p>CTP benefits are delivered fairly and expeditiously.</p> <p>Improved return to work or health for claimants.</p> <p>Independent measurement of claimant satisfaction.</p>	<p>Implement new principles based approach to claims handling.</p>	<p>Review legislation and claims handling guideline to maximise digital experience.</p>	<p>Build or review risk based response to compliance by all scheme participants across the schemes administered by SIRA.</p> <p>Review and improve insurer workers compensation case management self-audit tool and KPIs.</p> <p>Implement section 39 <i>Workers Compensation Act</i> transition strategy.</p>	<p>Develop strategies to address fraud and exaggeration in CTP claims.</p> <p>Monitor legal costs data to ensure a fair result for claimants.</p> <p>Review workers compensation guidelines relating to independent medical examinations, injury management consultants and return to work programs.</p> <p>Establish a psychological and traumatic brain injury strategy for CTP and workers compensation service delivery.</p>
<p>DFSI alignment:</p>	<p>Regulation</p>	<p>Innovation</p>	<p>Regulation</p>	<p>Regulation</p>



KEY FOCUS AREA - SUSTAINABILITY AND EFFICIENCY



SUCCESS MEASURES



PROJECT AND INITIATIVES

Improved efficiency of the compulsory schemes.	Scheme design	Data/digital/innovation (SIRA strategies will form part of the BRD digital/ICT strategy)	Insurer performance	Service provider performance
<p>Insurers meeting risk based financial and prudential requirements.</p> <p>Effective management of claimants transitioning off the workers compensation scheme to RTW or other income support.</p> <p>Reduced incidence of fraudulent claims and under insurance.</p>	<p>Implement the Government’s reforms to CTP.</p> <p>Implement government reforms to home building compensation.</p>	<p>Launch SIRA website.</p> <p>Develop a data management framework including a new workers compensation data dictionary.</p> <p>Review baseline workers compensation scheme performance data on system efficiency and effectiveness.</p> <p>Build new cloud-based claims and premium data systems to provide information more often, and to provide early warning of scheme trends and frauds, in partnership with DFSI Data Analytics Centre.</p>	<p>Implement and refine risk based regulatory supervision strategies to ensure sustained CTP insurer performance directed at outcomes.</p> <p>Review and refine the regulatory framework for workers compensation premiums, market practices, prudential risk management.</p> <p>Introduce a new holistic proactive insurer supervision operating model for all workers compensation insurers.</p>	<p>Build strategic and legislative frameworks to address fraud enforcement in CTP on an ongoing basis.</p> <p>Establish a health economics and health service commissioning strategy to improve value for money from the health spend in CTP and workers compensation.</p>
DFSI alignment:	Regulation	Innovation	Regulation	Regulation



KEY FOCUS AREA - PURCHASER EXPERIENCE AND OUTCOMES



PROJECT AND INITIATIVES

Improved affordability of CTP premiums compared to AWE.

Workers compensation premium rates are more affordable than the majority of other states.

Greater competition between CTP insurers evidenced by price spreads and customer churn.

Workers compensation premium setting compliant with the principles of the workers compensation Market price and Premium guidelines.

DFSI alignment:

Scheme design

Implement improvements to the CTP premium framework to improve competitiveness and reduce profit margins.

Implement changes to the CTP premium system to support the emergence of rideshare players in the point to point market.

Regulation

Data/digital/innovation

(SIRA strategies will form part of the BRD digital/ICT strategy)

Streamline the purchase of green slip insurance for motorists.

Introduce the capability for risk based usage of technologies such as telematics to support premium setting into the future.

Develop a workers compensation premium calculator.

Innovation

Insurer performance

Regulate the CTP insurers to ensure that premiums remain affordable and consistent with PDGs.

Implement new business plans to driver greater CTP competition and reduction in risk avoidance.

Regulation

Service provider performance

Introduce measures to better regulate CTP agents' commissions and address acquisition expenses.

Regulation



KEY FOCUS AREA - STAFF ENGAGEMENT



SUCCESS MEASURES

Support role out of BRD staff engagement strategy.

DFSI alignment:



PROJECT AND INITIATIVES

Maintenance of SNOW - a wellness/connection strategy across our three offices (George Street, Oxford Street and Gosford)

Directors to champion the approach.

Great Place to Work

Enablers



FINANCES

Operate within NCOS determined by government.



REGULATORY PHILOSOPHY

Develop a Statement of SIRA's regulatory approach, and risk based framework.



PEOPLE

Culture strategy, engagement strategy, GSE reform.



**State Insurance
Regulatory Authority**

Disclaimer

This publication may contain information that relates to the regulation of workers compensation insurance, motor accident third party (CTP) insurance and home building compensation in NSW. It may include details of some of your obligations under the various schemes that the State Insurance Regulatory Authority (SIRA) administers. However to ensure you comply with your legal obligations you must refer to the appropriate legislation as currently in force. Up to date legislation can be found at the NSW Legislation website www.legislation.nsw.gov.au.

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