

# Workers compensation system monthly dashboard



Explanatory note — August 2018 report

## Highlights from the August 2018 report

Effectiveness — Claims

**9,904**

reported claims

Customer experience —  
enquiry volume

**2,702**

Effectiveness — Return to work rates

4 weeks **68%**

13 weeks **81%**

26 weeks **88%**

Equity

**70%**

benefits paid directly  
and indirectly to  
injured workers

Efficiency — weekly payments

**\$102.9 m**

Viability — claims payments

**\$283 m**

## Claims trend

Analysis of the overall claim numbers reported, including notifications, does not show increased numbers of workplace incidents. It does show an increase in 'provisional liability accepted' actions in the claims process. This enables injured workers to access the early treatment that is associated with better outcomes for workers.

Overall expenditure (in constant dollar terms with no inflation applied) across the different insurer segments and payment types is stable across the system. August 2018 has total payments 2.1 per cent higher than August 2017.

Customer enquiries to SIRA are up but remain below the levels prior to March 2018. Total complaints (level one and level two) received by SIRA are in line with levels seen in the previous 12 months.

The overall system return to work (RTW) rates appear to be deteriorating however the results are largely the result of incomplete and poor quality data from the Nominal Insurer (NI) data. Please see section below 'About data in this report' on data quality issues and the completeness of the work status code data submitted by the Nominal Insurer (NI).

SIRA will continue to focus on several system areas the data has highlighted, by:

- analysing the drivers of increased medical and rehabilitation costs in the system
- increasing insurers' awareness of the key drivers of successful return to work
- increasing employers' understanding of their workers compensation obligations.

Additional information about SIRA and its activities as a regulator are included in the [SIRA workers compensation reports](#).

## Why does SIRA publish these reports?

SIRA is committed to providing timely reporting on the performance of the NSW workers compensation system.

SIRA publishes these reports to:

- provide NSW workers compensation customers and stakeholder communities with information, transparency and regular monitoring of the system performance
- provide data to assist the industry to benchmark against the system performance and to enhance service delivery
- increase engagement with stakeholders and customers
- boost innovation that leads to better efficiency and outcomes for employers
- support service delivery across the system for workers who may have had the worst day of their lives
- regulate the workers compensation system and support workers to recover, return to work and move forward.

## About the data in this report

Earlier this year, SIRA identified data quality issues with the completeness of the work status code data submitted by the Nominal Insurer. The return to work data provided by the Nominal Insurer is incorrect and it is not possible to discern if there are return to work performance issues from a metric using the work status code. SIRA determined this needed to be swiftly corrected and instructed the Nominal Insurer to improve the quality of this data. The Nominal Insurer advised this would be rectified from the October 2018 data submission.

The workers compensation monthly dashboard and data tables reports information from multiple sources to provide insights into the drivers of workers' return to work and health in the system. The report is structured on SIRA's performance framework, reporting on performance measures of effectiveness, efficiency, viability, affordability, customer experience, and equity.

The framework approach monitors multiple metrics for the overall system performance and provides a balanced view that is not limited to a single measure. Monitoring on multiple metrics also reduces any impact on data that can at times be subject to quality and/or completeness issues.

For example, support and services to injured workers returning to work can be monitored by:

- claims coding based on work status code
- trends of weekly benefit payment amount and frequency
- cessation of weekly benefit
- the number of days workers receive weekly benefits
- enquiries, complaints and disputes (including internal reviews, merit reviews and procedural reviews).

SIRA also monitors system performance based on research it commissions and from others including the Safe Work Australia (SWA) return to work survey. SIRA also monitors service delivery performance including customer feedback from its frontline customer experience team.

## Methodology, data notes and data sources

The data presented in this report are derived from monthly claims submission data, annual declarations provided to SIRA from NSW workers compensation insurers, the Workers Compensation Commission and the Workers Compensation Independent Review Office.

Throughout the report, the best and most current data available has been included.

The financial and cost information in this report is presented in original dollar values with no indexation applied. Costs in the workers compensation scheme are subject to a variety of potential inflationary factors including wage and salary rates, medical fee schedules, statutory benefit indexation and general price inflation. As there is no single index which adjusts for all potential factors, costs have been shown in their original dollar values for simplicity.

The premium value used for the Nominal Insurer in this report is calculated as total premium payable net of GST and levies, such as the Dust Disease Levy and Mine Safety Levy. Premium for self-insurers is deemed premium, calculated as wages covered multiplied by the premium rate applicable for the appropriate industry class. Premium for government self-insurers (TMF) is the value of the deposit contributions made by each member agency. Premium for specialised insurers is the gross written premium, net of GST and levies, such as the Dust Disease Levy and Mine Safety Levy.

Insurers regularly update claims data based on the progression of a claim. This may result in changing claim details month on month.

SIRA is regulating for improved data quality of the workers compensation system and is continuously working with insurers to improve their data quality.

Throughout this report, SIRA has referred to the issues inherent in the current NI data. This is known to have a particular impact on RTW results, and as NI has a significant segment of the workers compensation market within its portfolio, the data completeness is problematic when reporting performance across the system and comparing insurer types. At the time of publication, SIRA was planning an audit and defining the terms of reference for this audit. Monitoring the performance of the system and stewarding the system is of paramount importance to customers of the system, particularly workers, and SIRA is actively stewarding and regulating this important matter for the people of NSW and the customers of the NSW Workers Compensation System.

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