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State Insurance Regulatory Authority
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By email: consultation@sira.nsw.gov.au

Consultation on Regulatory requirements for workplace rehabilitation service provision in NSW personal injury schemes review.

The Insurance Council of Australia (ICA) is pleased to make a submission to SIRA on the regulatory requirements for workplace rehabilitation service provision in NSW personal injury schemes consultation.

The ICA is the representative body for the general insurance industry in Australia. Our members provide a range of insurance products including compulsory third party and workers compensation insurance.

Our response draws on the knowledge and substantial expertise of our members in the worker compensation and CTP schemes in NSW, which are supported by reports and articles, nationally and internationally. The ICA's response to this consultation will provide suggestions and recommendations to improve the policies and framework for rehabilitation providers in workers compensation and CTP schemes.

A person that has a workplace or motor vehicle injury and is unable to work suffers a major disruption in their life. SIRA's Reversing the trend - improving return to work outcomes in NSW report notes that a shorter return to work timeframe after an injury can deliver many benefits to the worker, their employer and the community.¹ A shorter return to work timeframe can be achieved through the use of rehabilitation providers. Therefore, the ICA suggests that SIRA:

- Develop an accreditation process for the CTP scheme
- Focus on value and outcome-based rehabilitation practices which benefits injured people rather than volume-based practices in both the CTP and workers compensation schemes.
- Survey claimants and make reviews of accreditation providers publicly available for the CTP and workers compensation schemes.
- Mandate a requirement that the rehabilitation consultant needs to have at least 2 years of experience in their field before providing care in CTP and workers compensation.
- Revise the competency and skill-building framework so that the focus is on delivery standards in the CTP scheme.

¹ SIRA Reversing the trend - improving return to work outcomes in NSW October 2020
<https://www.sira.nsw.gov.au/fraud-and-regulation/research/reversing-the-trend-improving-return-to-work-outcomes-in-nsw>

- Promote and encourage innovation in the CTP scheme.
- Extend the current Connect2Work program in workers compensation to make it available under the CTP scheme.
- Provide educational resources to providers, employers and employees on the benefits of rehabilitation.

The ICA and our insurer members believe that effective workers compensation and CTP schemes are characterised by improved recovery and return to work performance, a value and outcome-based policy framework and ensuring sustainable high-quality providers and easily accessible services.

In the area of workers compensation, returning to work as soon as safely possible following a workplace-related injury or illness benefits the worker, their family, employer and society more broadly.² The 2018 National Return to Work Survey (NRTWS) is the latest research that proves that there are many benefits of returning to work. The survey measures the return to work outcomes of workers receiving workers' compensation to understand the experience of the survey participants and the factors that influence their decision to return to work (RTW). Return to work is equally important in the CTP scheme when the insurer pays statutory benefits. Rehabilitation providers have a key role to play in assisting injured employees return to a safe and sustainable work environment sooner.³ To ensure the injured person's return to work is efficient and safe, the ICA suggests that the rehabilitation provisions shift towards a value and outcomes approach, systems and service delivery opportunities are taken advantage of and the full potential of workplace rehabilitation to optimise recovery and return to work in personal injury schemes is discovered and utilised.

Develop and implement an accreditation process in CTP

Rehabilitation is a key priority when ensuring the injured person's return to work is the most efficient and safe. Therefore, ensuring that high rehabilitation standards of care are maintained is essential for the injured person's efficient recovery and improved return to work outcomes. The new CTP scheme is less than three years old and therefore trends in that scheme are not yet clear. In the workers compensation scheme, there is an accreditation process currently in place for rehabilitation providers under Part 7 of the Workers Compensation Regulation 2016 which legislates that SIRA can approve workplace rehabilitation providers to operate in the workers compensation system. In contrast, workplace rehabilitation providers are undefined in the CTP legislation and therefore mechanisms for approval of rehabilitation providers are not available. However, supporting optimal recovery following an injury or illness includes supporting a return to work, irrespective of the scheme in which the claimant participates.

Accreditation for rehabilitation providers can help improve the quality of care, streamline operations, reduce liability risks and provides areas of where there can be room for

² Safe Work Australia 2018 National Return to Work Survey <https://www.safeworkaustralia.gov.au/doc/national-return-work-survey-2018-summary-report>

³ Gosling, C; Keating, J; Iles, R; Morgan, P; Hopmans, R September 2015 Strategies to enable physiotherapists to promote timely return to work following injury Research Report

improvement. The ICA suggests leveraging standards and approval mechanisms in NSW through the development of an accreditation process for the CTP scheme and reviewing the current requirements in the workers compensation scheme. The accreditation process will provide standards and accountability that providers need to adhere to, one that insurers can rely on and that injured people can trust. The accreditation content and standards will need to be carefully developed with extensive consultation with stakeholders to ensure that rehabilitation providers can work towards a best practice model. The Compensable Injuries and Health Outcomes report supports the recommendation to implement an accreditation process across both schemes as it will provide accountability for rehabilitation providers that will assist in delivering a high level of value and outcome-based care.⁴ However an accreditation process in CTP alone will not deliver value and outcome-based care as it will take time and extensive collaboration with all stakeholders. SIRA's Health Measurement Outcome Framework provides a good foundation for building value and outcome-based care therefore the accreditation framework should align to this where possible. This expansion across CTP should look at the feasibility of SIRA supporting specific competency training (which may be different for each scheme), the inclusion customer satisfaction metrics across both schemes, possible increase of the professional experience criteria for workplace rehabilitation providers and some level of quality auditing of reports and processes.

Pilot and Implement Connect2Work and work trials in CTP

The ICA suggest that work placements such as SIRA's Connect2work and work trials are implemented across CTP as this has been effective in the workers compensation scheme. This will support injured persons in maintaining their skillset and continuing recovery through work. A Connect2work and work trials pilot program in CTP could be used to test the effectiveness of the program while making improvements to the program over the period to ensure that any problems are addressed quickly. Connect2work is a short-term work placement program offered by SIRA for vocational education students. This will encourage a safe and efficient return to work outcomes as supported by studies conducted by The Australasian Faculty of Occupational Medicine.⁵ This will provide employers with an incentive to provide opportunities for injured people that have work capacity and skill.

The ICA also suggests that SIRA explore possible employer incentives for supporting recovery at work, as employers in the CTP scheme currently have no mandatory obligation to offer or support graded return to work programs for their employees injured in a motor vehicle accident.

Encourage and reward innovation

The ICA suggests encouraging and rewarding innovation of rehabilitation providers in the CTP scheme. McKinsey Consulting supports this suggestion as innovative approaches such

⁴ The Australasian Faculty of Occupational Medicine The Royal Australasian College of Physicians, Health Policy Unit https://www.racp.edu.au/docs/default-source/advocacy-library/compensable-injuries-and-health-outcomes.pdf?sfvrsn=97b42c1a_2

⁵ Carol Cancelliere, James Donovan, Mette Jensen Stochkendahl, Melissa Biscardi, Carlo Ammendolia, Corrie Myburgh, and J. David Cassidy 8 September 2016 Factors affecting return to work after injury or illness: best evidence synthesis of systematic reviews *Chiropractic & Manual Therapies* 24(1) 32.

as value-based care models, outcomes-based analytics, and an emphasis on preventive care and patient-managed wellness technology leads to better models of care.⁶ Rehabilitation providers already have access to data, knowledge of the industry and tools to generate insights which can help respond to emerging trends and research. The ICA suggests that research proposals could be put forward by providers to SIRA so that could then organise and fund the research. The SIRA Health Outcomes Framework discussed delivering value for insurers and claimants in the CTP and workers compensation scheme. The ICA suggests that the draft SIRA Health Outcomes Framework could be used as a guide to drive innovation, performance and outcomes.⁷

The ICA suggests that the best approach to build capability in workplace rehabilitation provisions is the establishment and implementation of structured communities of practice as it will facilitate knowledge sharing, enhance service delivery and encourage opportunities for innovation. The communities of practice are formal groups of rehabilitation providers that meet to facilitate the exchange of expertise and shared learning.

A revised competency and skill-building framework in CTP

As outlined in the Issues paper, the success of the CTP and workers compensation schemes are dependent on the support that rehabilitation providers provide.⁸ The ICA has identified a competency gap that exists with rehabilitation providers in the CTP scheme due to the different requirements of this scheme and the fact that employers may not consider themselves stakeholders in the CTP scheme to the same extent as the workers compensation scheme. The ICA suggests that a revised competency and skill-building framework in the CTP scheme with an expectation for delivery of standards for workplace rehabilitation providers in CTP be developed and implemented.

The Institute for Safety, Compensation and Recovery Research report found there was a consensus amongst rehabilitation professionals that a comprehensive program to train supervisors in competencies needed to support injured people returning to work would be worthwhile.⁹ There is evidence that through optimising return to work processes, similar programs in other countries have benefited from cost savings and a decrease in

⁶ <https://www.mckinsey.com/industries/financial-services/our-insights/how-workers-compensation-carriers-can-build-better-models-of-care-in-the-us#>

⁷ SIRA Health Outcomes Framework for the NSW Workers Compensation and Motor Accident Injury/Compulsory Third Party Schemes: Consultation Paper 21 July 2020 pg4
https://www.sira.nsw.gov.au/__data/assets/pdf_file/0004/878026/Health-outcomes-framework-for-the-NSW-Workers-Compensation-and-Motor-Accident-Injury-CTP-schemes-consultation-paper.pdf

⁸ SIRA Regulatory requirements for workplace rehabilitation service provision in NSW personal injury schemes Consultation Paper October 2020 <https://www.sira.nsw.gov.au/consultations/regulatory-requirements-for-workplace-rehabilitation-service-providers>

⁹ Venerina Johnston, Kirsten Way, Mary Wyatt, William S. Shaw 1 March 2015 The knowledge, skills, and behaviours required by supervisors to facilitate a return to work after a mental disorder or musculoskeletal injury https://research.iscrr.com.au/__data/assets/pdf_file/0005/297257/the-knowledge-skills-and-behaviours-required-by-supervisors-to-facilitate-a-return-to-work-after-a-mental-disorder-or-musculoskeletal-injury.pdf.

compensation claims.¹⁰ It should be acknowledged that the competencies required in workers compensation may differ to those in CTP and therefore should be structured to meet the relevant needs of the scheme. Sufficient training of the differences in the CTP and workers compensation schemes could be incorporated into the accreditation metrics and can deliver better service outcomes.

Mandate the level of experience required

The experience level of a rehabilitation consultant is essential to ensure that the needs of the injured person are attended to and an appropriate plan is devised to ensure durable return to work outcomes. The ICA suggests that steps be taken to ensure a minimum level of experience for the rehabilitation professional to work independently be set at 2 years. It is recommended that if the experience of the professional is under 2 years, a suitably qualified supervisor should be present at the initial appointment and would need to sign off on the report. This will ensure that there is consistency in experience and service across all rehabilitation providers.

Educate providers, employers and employees

To support workplace rehabilitation service provisions to achieve optimal outcomes the ICA recommends that SIRA provide employers, employees and providers with education and resources on the benefits of rehabilitation, safety and mitigating risks to the injured person. The ICA suggests that SIRA continue to engage with stakeholders including providing information sessions to employers and employees on how they can mitigate workers from being injured and how they can support injured persons who are in the process of returning to work as well as the benefits of rehabilitation in the CTP and workers compensation schemes generally. Resources can also be developed for employers and employees which highlight the benefits of “recovering at work” and examples can be provided of successful RTW programs (for example, graded RTW case studies). Implementation of this recommendation will assist in achieving optimal outcomes and a value-based approach to rehabilitation. Both are essential for an effective return to work journey.

Transparency of providers

Transparency of providers can assist in promoting and encouraging high standards of rehabilitation services. The ICA suggests that best practice rehabilitation frameworks and metrics can be promoted through the publishing of ratings of rehabilitation providers on the SIRA website. The ratings could be determined by surveys completed by the injured person at the end of their return to work journey. The ICA would be interested to work with SIRA to develop appropriate metrics. This will encourage rehabilitation providers to be efficient, innovative and adopt a value and outcome-based approach. This will also provide insurers and the injured person with the transparency of information so that they can make the most informed decisions.

¹⁰ Kirsten Way, Mary Wyatt, Venerina Johnston, MPub Health William S. Shaw, 28 June 2013 The knowledge, skills, and behaviours required by supervisors to facilitate a return to work after a mental disorder or musculoskeletal injury.



ICA would be pleased to discuss this submission with you further and provide any additional information that may assist.

If you have any queries please contact Neha Chopra, Policy Advisor, Consumer Outcomes via email nchopra@insurancecouncil.com.au or phone (02) 9253 5165.

Yours sincerely

A handwritten signature in black ink, appearing to read "Andrew Hall". The signature is stylized and cursive.

Andrew Hall
CEO and Executive Director