

## Approved Insurers Performance Indicators

**Standards:** Insurers are to maintain relevant resources and authority in the State to fulfil their obligations under the *Workers Compensation and Injury Management Act 1981*.

Approved Insurers and Self-Insurers comply with the Conditions of Exemption from Section 157A(1) of the Workers Compensation and Injury Management Act 1981.

**References:** *Workers' Compensation and Injury Management Act 1981, Workers' Compensation and Injury Management Regulations 1982, Code of Practice (Injury Management): and Conditions of Exemptions: Insurers*

**Applicability:** Approved Insurers (referred to as 'Insurers')  
\*Mandatory Performance Indicator – Legislative Requirement

### Objective

#### Organisational Performance

##### 1.1 Liability Decisions and Reporting

Insurers execute effective and efficient decision-making and reporting in compliance with statutory requirements.

### Performance Indicator

#### Liability Determination

\*1.1.1 Initial liability decision for all claims is made within 14 days from the receipt of the claims information. (section 57A)

#### Reporting

1.1.2 Insurers are to provide evidence that liability notices were sent.

- Employer
- Worker
- WorkCover WA

1.1.3 Insurers are to provide the following data items for all claims received, irrespective of whether accepted, declined or pending in accordance with the insurer/self-insurer electronic data specification (Q1):

- Date claim received by insurer (C34)
- Date claim accepted/rejected (C35)
- Claim status code (C36)

<p><b>1.2 Notices to Workers</b></p> <p>Insurers comply with statutory requirements to notify injured workers of potential expiry of important entitlements.</p>	<p><b>Common Law Election Notice</b></p> <p>*1.2.1 Insurers must provide evidence that written notice is given to injured workers advising of the termination day for election to seek common law damages. (section 93O). Written notice must be given within the two week period commencing on the day that is six months and 14 days before the termination day.</p> <p><b>Medical Expenses Entitlement Notice</b></p> <p>*1.2.2 Insurers must provide evidence that written notice is given to an injured worker advising that the prescribed amount for medical and other expenses has reached 60% of the total available. (clause 18A(4))</p> <p><b>Discontinuance/ Reduction in Weekly Payments (section 61)</b></p> <p>*1.2.3 Insurers must provide evidence of written notification to the worker giving 21 clear days advising of discontinuance or reduction of weekly payments. (section 61)</p>
<p><b>1.3 Injury Management (section 155D)</b></p> <p>The insurer provides written notice to the employer when issuing/renewing a policy, informing them of the obligations under the Act.</p>	<p>*1.3.1 The notice is to inform the employer that WorkCover WA have the authority to issue and provide on request an Injury Management Code of Practice. (section 155D)</p> <p>*1.3.2 The notice is to inform the employer of their obligation to establish and implement an injury management system in accordance with the Code. (section 155D)</p> <p>*1.3.3 The notice is to inform the employer of the obligation to establish and implement a Return to Work Program in accordance with the Code. (section 155D)</p>
<p><b>1.4 Premium Loadings</b></p> <p>Insurers seek approval from WorkCover WA to charge premium loadings in accordance with the Act.</p>	<p>*1.4.1 Approval from WorkCover WA must be obtained for the issue or renewal of a policy of insurance charging a loading of more than 75%. (section 152)</p>

<p><b>1.5 Data</b></p> <p>Insurers are required to provide to WorkCover WA as requested, accurate, complete and timely information.</p>	<p>*1.5.1 Insurers must maintain effective quality assurance systems for scheme data supplied to WorkCover WA. All data must be complete, accurate and supplied within 14 days of the close of each calendar month. (section 103A)</p> <p>1.5.2 Claim, policy and premium rating data must be provided in accordance with the insurer electronic data specifications as per WorkCover WA requirements.</p> <p>1.5.3 Data corrections are completely processed and corrected within seven days of the date the error correction report is forwarded by WorkCover WA.</p> <p>1.5.4 Insurers are to provide the following data items for all policies issued or renewed by the insurer in accordance with the insurer/self-insurer electronic data specification (Q1):</p> <ul style="list-style-type: none"> <li>• effective date (P19)</li> <li>• expiry date (P20)</li> <li>• premium rate classification (P21)</li> <li>• estimated wages (P22)</li> <li>• actual wages (P24)</li> <li>• actual final premium charged (P28)</li> </ul>
<p><b>1.6 Internal Dispute Resolution</b></p> <p>Insurers are to implement their Internal Dispute Resolution Policy to reduce the number of formal disputes within the scheme.</p>	<p>1.6.1 Insurers are to provide evidence of an Internal Dispute Resolution Policy (IDRP)</p> <p>1.6.2 Insurers are to provide evidence that injured workers are informed of their IDRP</p> <p>1.6.3 Insurers are to provide evidence that the IDRP has been implemented when there is disagreement with an Insurer's decision.</p>

<p><b>1.7 Policy Renewals</b></p> <p>Employers' Indemnity Policies are issued and renewed in accordance with the Act.</p>	<p>1.7.1 Insurers are to provide their workers' compensation policy renewal notices at least 30 days before expiry to insurance brokers and 14 days prior to expiry for employers (with no broker involvement)</p> <p>1.7.2 Evidence is to be maintained on file indicating the policy details, expiry date and the date when the offer to renew was sent to the broker/employer.</p>
<p><b>2.0 Section 157A Exemption</b></p> <p><b>2.1 Conditions of Exemption</b></p> <p>Insurers no later than seven days after acquiring knowledge referred to in paragraph (a) or (b) of Section 157A(1) of the <i>Workers' Compensation and Injury Management Act 1981</i> (the Act) review all claims, or in the case of late notification of claims review the claim immediately.</p> <p><i>Section 157A (1) paragraph (a)</i> A worker whose period of incapacity the insurer knows to have exceeded 4 consecutive weeks; or</p> <p><i>Section 157A (1) paragraph (b)</i> A worker whose period of incapacity during any period of 12 months or less the insurer knows to have exceeded, in sum 12 weeks.</p>	<p><b>Information Management</b></p> <p>2.1.1 Insurers are required to have documentation attached to the claim file, which meets the conditions for exemption.</p> <p>2.1.2 Data submitted to WorkCover WA must meet requirements and be accurate, timely and complete.</p> <p>2.1.3 The date of acquiring knowledge referred to in paragraph (a) or (b) of section 157a must be recorded.</p> <p><b>Claim file review</b></p> <p>2.1.4 The date of review of the claim and the outcome must be documented.</p> <p>2.1.5 If the outcome of the review indicates no action required, the reason for no action should be documented.</p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• Returned to work to the position held by the worker immediately before the injury occurred, and has a total capacity to work in that position.</li> <li>• Other employment</li> <li>• Subsequent death</li> <li>• Moved Interstate/ international</li> <li>• Withdrawn from the workforce</li> <li>• Full-time study</li> <li>• Other (i.e. unrelated medical condition, jailed etc).</li> </ul> <p>2.1.6 If the outcome of the review indicates action is required, an investigation of the need for a RTWP must be conducted.</p>

<p><b>2.2 Return to Work Program</b></p> <p>Determine whether or not a return to work program is required and implemented in accordance with the Workers' Compensation and Injury Management Regulations 1982 and the Code of Practice (Injury Management).</p>	<p><b>Documentation</b></p> <p>2.2.1 Insurers documentation must include date when contact was made with employer and whether</p> <ul style="list-style-type: none"> <li>(a) The employer is willing/able to establish the RTWP; or</li> <li>(b) The employer requests the insurer to establish the RTWP; or</li> <li>(c) The employer does not wish to establish a RTWP or require insurer to act on their behalf.</li> </ul> <p>2.2.2 If (c) the employer does not wish to establish a RTWP or require insurer to act on their behalf, documentation of advice must be provided to WorkCover WA.</p> <p>2.2.3 If the insurer is to establish a Return to Work Program (RTWP), documentation must record:</p> <ul style="list-style-type: none"> <li>• Contact with the treating medical practitioner</li> <li>• Contact with the worker</li> <li>• The name of the injured worker and employer</li> <li>• A description of the goal of the program</li> <li>• A list of action to be taken and by whom, to enable the worker to return to work</li> <li>• A statement as to whether the worker agrees with the content of the program</li> <li>• Whether vocational rehabilitation is required</li> <li>• Date of commencement of vocational rehabilitation if required</li> <li>• A proposed date of review of RTWP (no more than four weeks).</li> </ul>
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	<p><b>Consultation</b></p> <p>2.2.4 The insurer must ensure that the injured worker is given an opportunity to participate in the establishment of a return to work program.</p> <p>2.2.5 The insurer must ensure that reasonable steps are taken to ensure:</p> <ul style="list-style-type: none"> <li>(a) The worker agrees with the content of the workers return to work program</li> <li>(b) The action listed in the return to work program is taken in a timely manner</li> </ul> <p><b>Modifications</b></p> <p>2.2.6 If the insurer becomes aware that the treating medical practitioner modified the restrictions of the work that the worker is considered to be capable of doing, the insurer is to ensure the RTWP is changed to reflect the modification.</p> <p>2.2.7 In accordance with the Code of Practice a RTWP and any changes to the workers RTWP must be described in writing. Copies should be provided to both the worker and the treating medical practitioner.</p>
<p><b>3.0 Financial Performance</b></p> <p><b>3.1 Financial Management</b></p> <p>Insurers maintain an office in the State with authority, material and financial resources that enable the discharging of its obligations under the Act.</p>	<p><b>Payment of Accounts</b></p> <p>3.1.1 Insurers are to ensure the payment of valid accounts are recorded and paid within 20 working days of receiving the account.</p> <p><b>Contributions to General Account</b></p> <p>*3.1.2 Insurers are to contribute to the General Account in accordance with the Act. (section 109)</p> <p><b>Australian Prudential Regulation Authority – Solvency Reports</b></p> <p>*3.1.3 Insurers must ensure they meet APRA’s solvency requirements as reported quarterly and annually. (section 161)</p>