

# Significant Issues Impacting the Agency



While the Western Australian workers' compensation scheme remained stable and strong in 2010/11, there were several issues which WorkCover WA responded to and managed.

There was a continuing increased workload due to staff progressing and preparing for the proposed legislative amendments arising out of the review of the *Workers' Compensation and Injury Management Act 1981*. Most of the legislative changes are due to come into place in 2011/12 and WorkCover WA has prepared for the resulting changes to policies, procedures, operations and education materials.

WorkCover WA also continued to monitor increasing costs associated with long duration claims (those involving 60 or more days or shifts off work), which is creating some upward pressure on recommended premium rates. During the financial year, the agency researched long duration claims to provide a clearer picture of the extent of these claims/costs within the scheme, their impact on the scheme and demographic factors.

There was also an increase in claim settlements outside of the dispute resolution process, which resulted in WorkCover WA increasing its focus on ensuring proper settlement procedures are followed.

Issues identified as likely to impact on WorkCover WA's management of the scheme in 2011/12 and beyond include:

- stage two of the legislative review which will include a complete redraft and rewrite of the Act to modernise and streamline legislation
- increased numbers in the workforce with a consequent increase in the number of workers covered by the scheme; statistics from the Department of Training and Workplace Development forecasted employment in Western Australia to grow by 239,000 persons between 2009/10 and 2016/17
- extra compliance monitoring required due to expansion of businesses and service providers in WA, fuelled by growth in the mining industry.

## Changes in Written Law

In 2010/11, WorkCover WA made two changes to written laws administered by the agency.

Medical and allied health service fees were fixed pursuant to section 292(2) of the Act. The *Workers' Compensation and Injury Management (Scales of Fees) Amendment Regulations 2010* came into effect on 1 November 2010. The Amendment Regulations applied a 3.05 per cent increase to medical and allied health fees and introduced amendments to the physiotherapy service descriptors to facilitate effective communication between insurers and physiotherapists, including a new service item for a treatment management plan.

The *Workers' Compensation and Injury Management Amendment Regulations (No 2) 2011* came into effect on 1 October 2010. The Amendment Regulations made changes to the structure and layout of the workers' compensation claim form 2B and minor improvements to ensure relevant data is collected for the purposes of monitoring claims management timeframes.