

“A workers’ compensation and injury management scheme that works for all”

INSURANCE BROKERS’ CODE OF PRACTICE

Western Australia is fortunate to have an extremely effective workers’ compensation and injury management system. It is (privately) underwritten by insurers and requires a number of different groups and individuals to interact and operate in a professional and effective manner.

WorkCover WA is working with the National Insurance Brokers Association (NIBA) and insurance brokers more generally to promote effective interaction between insurance brokers, employers, insurers and WorkCover WA. This Code of Practice has been developed by WorkCover WA in consultation with NIBA and the workers’ compensation insurance industry more broadly.

How to Use this Code of Practice

This Code of Practice can be used as a poster, or the document as a whole can be used to prompt discussions between insurance brokers and employers when policies are being taken out or renewed.

The checklist for employers contains general information about employers’ key responsibilities under the workers’ compensation legislation.

The Code has been developed to assist brokers service clients and enhance professionalism within the industry.

Ongoing feedback is encouraged to ensure the Code remains relevant and up-to-date.





INSURANCE BROKERS' CODE OF PRACTICE

This Code of Practice is intended to promote effective interaction between insurance brokers, employers, insurers and WorkCover WA.



Key Expectations of the insurance broker in their interactions with clients (employers), insurers and WorkCover WA	INSURANCE BROKER INTERACTIONS		
	Clients (Employers)	Insurers	WorkCover WA
Provision of Accurate Information	<ul style="list-style-type: none"> The insurance broker should provide information about the key legislative obligations to the client (employer). The insurance broker should discuss the obligations set out within the Employer Checklist (see back page), at the time the client takes out or renews a policy. The insurance broker should reinforce the importance of employers promptly lodging claims directly with the insurer. The insurance broker should proactively monitor the renewal/expiry dates of a client's policy and act expediently in advising the client in relation to the lapse, renewal or cancellation of a policy of insurance. 	<ul style="list-style-type: none"> The insurance broker should obtain from the employer and advise the insurer of all client details that the insurer has to report to WorkCover WA. Where the insurance broker becomes aware relevant client details have changed (e.g. company address or material changes to the risk), the insurance broker should advise the insurer directly. The insurance broker should act expediently in attending to policy lapses, renewals, cancellations or the movement of insurance to a different approved insurer. 	<ul style="list-style-type: none"> The insurance broker should respond to all requests for information by WorkCover WA regarding their client in a collaborative and professional manner. <p>(Supplying this information does not breach privacy legislation.)</p>
Premiums and Industry Classification	<ul style="list-style-type: none"> Insurance brokers should provide advice to clients in relation to ensuring all details provided to obtain workers' compensation and common law damages insurance cover are true and correct. Insurance brokers should inform clients of their ongoing duty to disclose changes to their material facts (e.g. changes in business circumstances that may affect ANZSIC classification). 	<ul style="list-style-type: none"> The insurance broker should assist employers to determine an accurate and complete wage estimate for an approved insurer when effecting or renewing a policy of insurance. The insurance broker should assist the employer to prepare a statement of the actual remuneration paid at the end of the period of insurance. The insurance broker should assist employers to determine an appropriate industry classification. 	<ul style="list-style-type: none"> Where WorkCover WA requests information from an insurance broker regarding a client's premium (e.g. number of workers, wage declaration, industry type etc.) the broker should provide the requested information and confirmation as to the appropriateness of their client's insurance coverage for workers' compensation and common law damages.
Training & Professional Development	<p>Insurance brokers should:</p> <ul style="list-style-type: none"> Have a good working knowledge of the workers' compensation legislation to enable them to advise clients appropriately. Keep their knowledge up-to-date by participating in continuing professional development. Perform functions and/or provide advice commensurate with their knowledge and expertise. 	<ul style="list-style-type: none"> Have sufficient understanding of the client's business to ensure all workers as defined by the <i>Workers' Compensation and Injury Management Act 1981</i> are covered for workers' compensation and common law insurance. Meet the level of professional standards outlined by the NIBA Code of Practice. 	
Disclosure	<ul style="list-style-type: none"> The insurance broker must ensure they comply with the relevant disclosure obligations required by Chapter 7 of the <i>Corporations Act 2001</i> prior to placing cover. 		



CHECKLIST FOR EMPLOYERS

Insurance	✓
Obtain and maintain insurance cover for the full amount of the liability to pay workers' compensation or damages to <u>all</u> workers.	
Ensure premiums are paid within the terms of credit provided by the broker.	
Make sure all information provided to the broker is true and correct and provided in a timely manner. There is an ongoing duty of disclosure to provide accurate information i.e. wage declarations (actual/estimate), number of workers etc. <i>Knowingly providing false information is an offence. WorkCover WA can recover unpaid premiums from employers.</i>	
Have a valid certificate of currency for workers' compensation insurance cover, issued by the insurance office, available for inspection within reason at your principal place of business in Western Australia.	
Cooperate with WorkCover WA Inspectors to provide evidence of appropriate insurance cover. <i>Penalties apply for not cooperating fully with an Inspector.</i>	
Claims Process	✓
Submit the completed workers' compensation claim form and First Certificate of Capacity to your insurer within five working days of receiving them from the injured worker.	
Compensation	✓
Pay compensation payments on a worker's usual pay day within 14 days of being notified by the insurer that the claim is accepted. <i>Failure to make compensation payments by the due date(s) is an offence.</i> Discuss issues related to compensation payments with your insurer.	
Payments of compensation cannot be discontinued or reduced other than in accordance with the legislation. <i>Failure to make compensation payments as required is an offence and a fine applies for each payment not made when due.</i>	
Injury Management	✓
Have a documented injury management system (a written description of the steps you will take if there is an injury in the workplace). This must include contact details for the person who will have day-to-day responsibility for the injury management system.	
Establish and implement a Return to Work Program as soon as practicable after: <ul style="list-style-type: none">• the treating doctor indicates in writing that one is required; or• the worker's treating doctor signs a Certificate of Capacity indicating the injured worker has either a partial capacity for work or a total capacity for work but not for their pre-injury position.	
Keep an injured worker's position available for 12 months from the day they become entitled to receive compensation. Workers are entitled to either: <ul style="list-style-type: none">• return to their pre-injury position; or• if the same position is not available or they do not have the capacity to work in that position, another position for which they are qualified and capable of performing which is comparable in status and pay to their pre-injury position.	
If dismissing an injured worker within 12 months of compensation, provide notification to the worker and WorkCover WA at least 28 days before the dismissal takes effect.	