



STATISTICAL REPORT

SCHEME EXITS REPORT

September 2022



*A worker's compensation and injury
management scheme that works for all*

About this report

The quarterly Scheme Exits Report measures trends and characteristics of **finalised claims where claimants' injuries occurred over the past ten years**. This report provides a summary of elements relating to claimants **exiting the workers' compensation scheme based on the initial finalisation date**. The elements for analysis include:

- ▲ Lump sum payments
- ▲ Claim costs
- ▲ Days lost
- ▲ Workplace rehabilitation services
- ▲ Legal services.

Citation



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Overview - September (Q1) 2022/23

p. 4

5,912

Claims finalised

- ▼ -14.8% over 6 months
- ▼ -4.6% over 12 months

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New to closed claims ratio

1.11

Number more than one indicates more new claims lodged than finalised claims

- ▲ 23.0% over 6 months
- ▲ 0.5% over 12 months

Average finalised claim cost

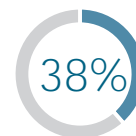
\$43,656

The two-year trend for average finalised claim cost increased

- ▲ 5.3% over 6 months
- ▲ 16.9% over 12 months

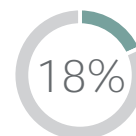
Service utilisation

p. 5



of lost-time claims had workplace rehabilitation services

- ▲ 2.9%p over 6 months
- ▲ 6.0%p over 12 months



of claims had legal payments recorded

- ▲ 2.5%p over 6 months
- ▲ 2.1%p over 12 months

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25% of claims finalised with a lump sum payment



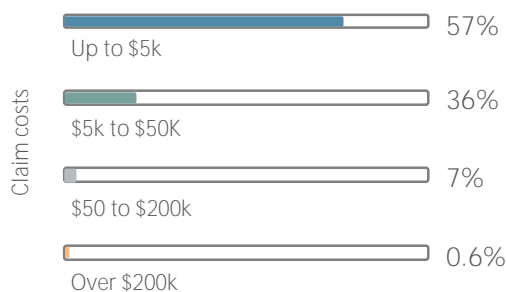
25% With lump sum

75% Without lump sum

p. 6 & 7

4,454 claims finalised without lump sum

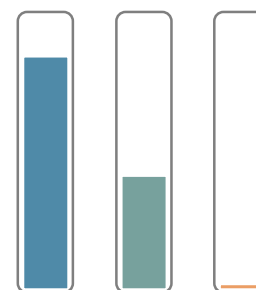
- ▼ -17.0% over 6 months
- ▼ -8.7% over 12 months



p. 6 & 9

1,458 claims finalised with lump sum

- ▼ -7.2% over 6 months
- ▲ 10.8% over 12 months



66%

Lump sum - general

32%

Lump sum - permanent impairment

2%

Lump sum - election registered

Average claim cost - with lump sum



Permanent impairment

\$75,930

- ▲ 3.3% over 6 months
- ▲ 1.8% over 12 months

General lump sum

\$145,580

- ▼ -7.8% over 6 months
- ▲ 1.8% over 12 months

Election registered

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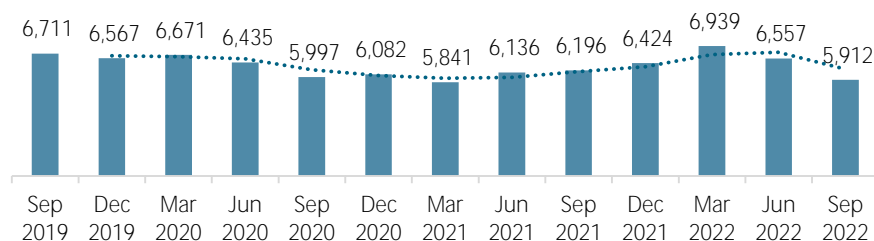
\$644,119

- ▲ 6.0% over 6 months
- ▲ 17.4% over 12 months

Scheme exit trends

Number of claims finalised

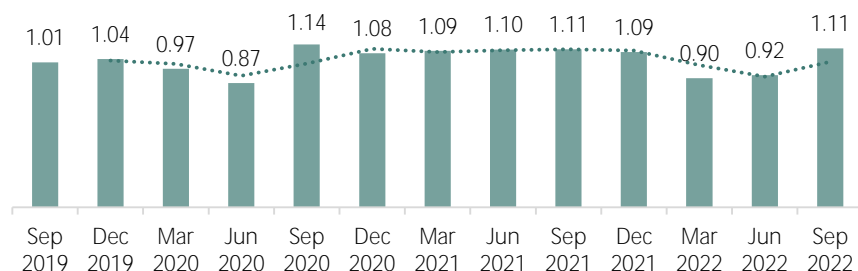
Current	% change over		
	2 years	1 year	6 months
5,912	-1.4%	-4.6%	-14.8%



▲ The number of finalised claims decreased over the last six months by 14.8% to 5,912.

New to closed claims ratio

Current	% change over		
	2 years	1 year	6 months
1.11	-2.4%	0.5%	23.0%

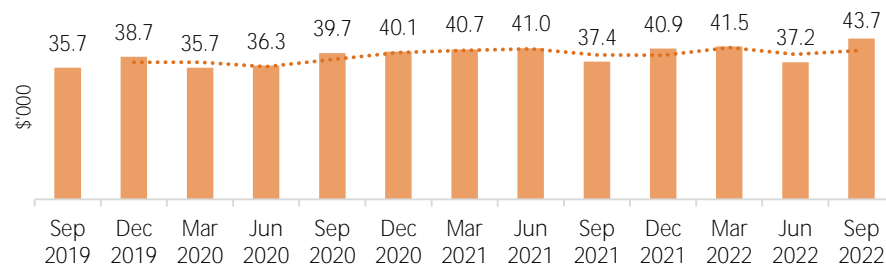


▲ New to closed claims ratio compares the number of new claims to the number of closed claims.

▲ The new to closed claims ratio increased by 0.5% over the last year to 1.11, indicating more new claims lodged than claims finalised.

Average finalised claim cost

Current	% change over		
	2 years	1 year	6 months
\$43,656	10.0%	16.9%	5.3%



▲ The trend for average finalised claim cost increased by 10.0% over the last two years.

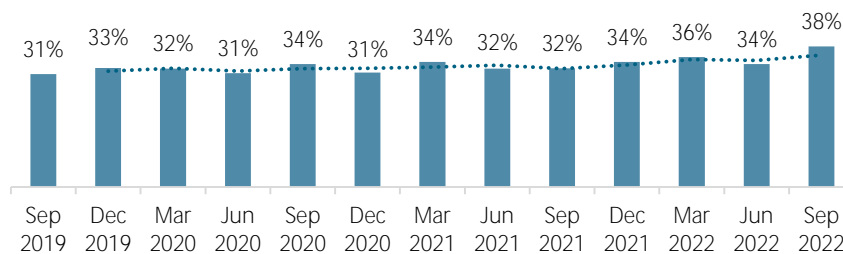
▲ The last six months show an increase of 5.3% in the average finalised claim cost.

▲ Payments are adjusted for inflation to allow meaningful comparisons over time.

Service utilisation for finalised claims

Proportion of lost-time claims with workplace rehabilitation services

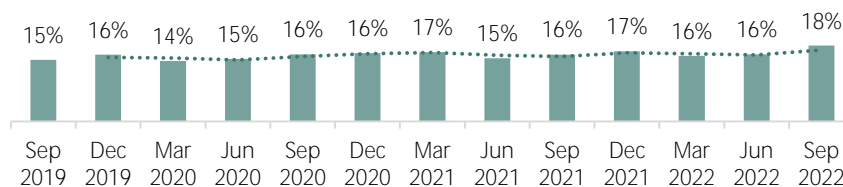
Current	%p change over		
	2 years	1 year	6 months
38%	4.9%	6.0%	2.9%



- ▲ For the Sep 2022 quarter, 38% of lost-time claims had workplace rehabilitation services recorded.
- ▲ The proportion of lost-time claims with workplace rehabilitation services increased by 4.9%p over two years.

Proportion of claims with legal payment recorded

Current	%p change over		
	2 years	1 year	6 months
18%	2.1%	2.1%	2.5%

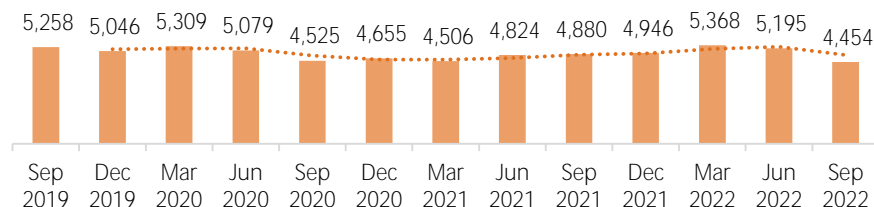


- ▲ The proportion of claims with legal payments increased by 2.1%p over two years.
- ▲ For the Sep 2022 quarter, 18% of claims had legal payments recorded.

Claims finalised with or without lump sums

Number of claims finalised without lump sums

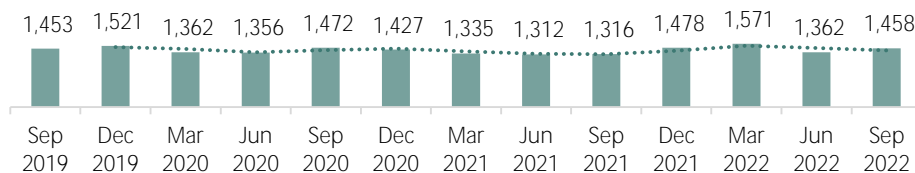
Current	% change over		
	2 years	1 year	6 months
4,454	-1.6%	-8.7%	-17.0%



- ▲ Over the last year, the number of finalised claims without lump sums decreased by 8.7%.
- ▲ The number of finalised claims without lump sum payment stands at 4,454 for the Sep 2022 quarter.

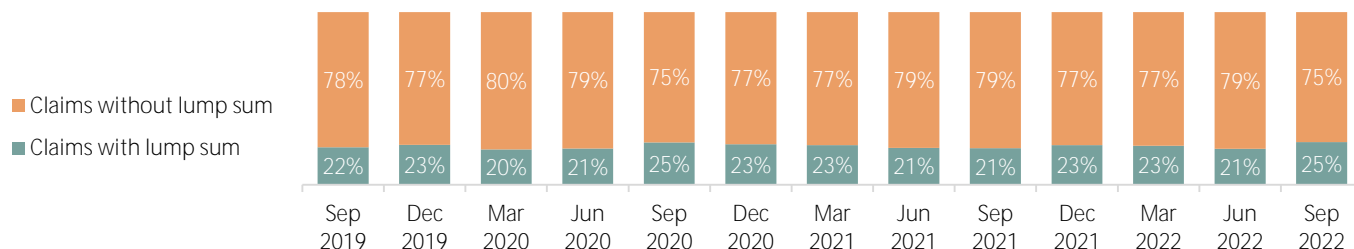
Number of claims finalised with lump sums

Current	% change over		
	2 years	1 year	6 months
1,458	-1.0%	10.8%	-7.2%



- ▲ The number of finalised claims with lump sums increased by 10.8% over the last year.
- ▲ The number of claims finalised with lump sums payments stands at 1,458 for the Sep 2022 quarter.

Proportion of claims finalised with or without lump sum



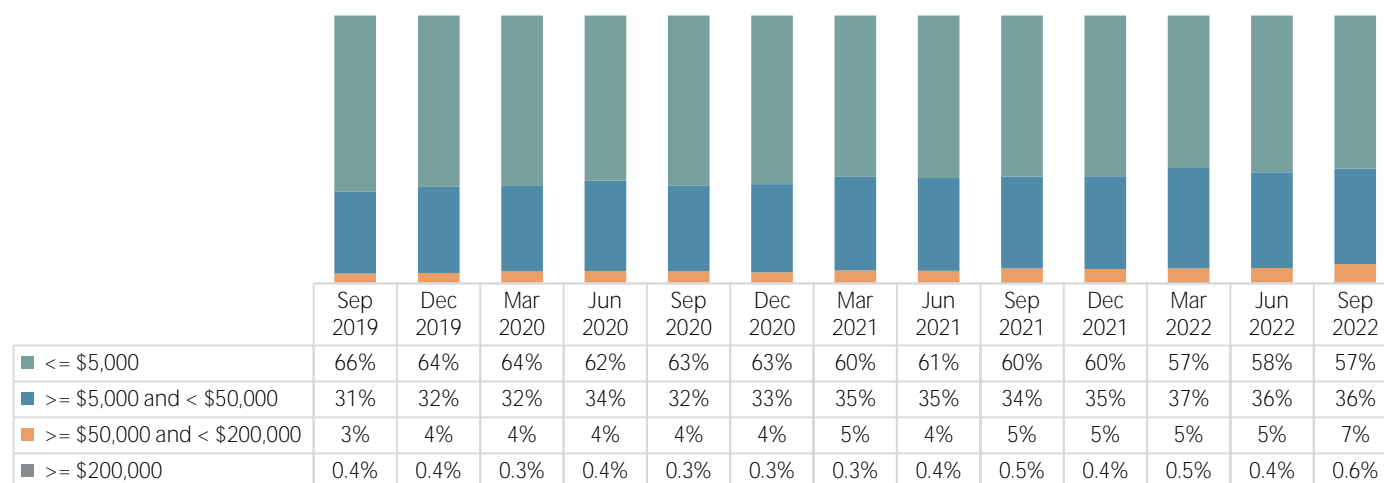
- ▲ Since the Sep 2019 quarter, the proportion of claims with lump sums ranges between 21% to 25%.
- ▲ Claims without lump sums continue to account for the larger proportion of finalised claims.

Scheme exits without lump sum - claim costs

Claims finalised without lump sum - proportion of claims by claim costs

Claims finalised without lump sum	Current	%p change over		
		2 years	1 year	6 months
Claim costs less than \$5,000	57%	-6.2%	-3.0%	0.2%
Claim costs \$5,000 - \$50,000	36%	3.5%	1.4%	-1.8%
Claim costs \$50,000 - \$200,000	7%	2.4%	1.4%	1.5%
Claim costs over \$200,000	0.6%	0.3%	0.1%	0.1%

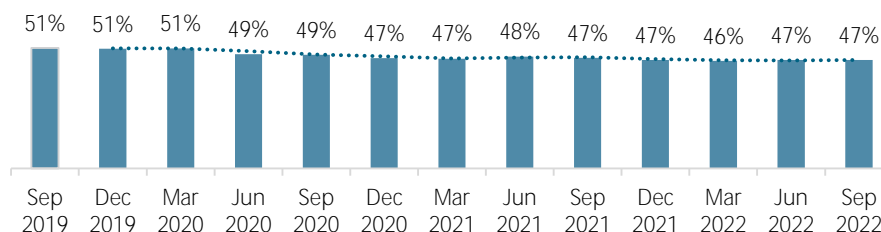
- ▲ The majority of finalised claims without lump sums cost less than \$5,000.
- ▲ The last two-year period shows this proportion decreasing from 63% to 57%.
- ▲ For the current quarter, 36% of finalised claims without lump sums cost between \$5,000 to \$50,000. This is a 3.5% increase over the two-year period.



Scheme exits without lump sum - days lost

Claim finalised without lump sum No days lost

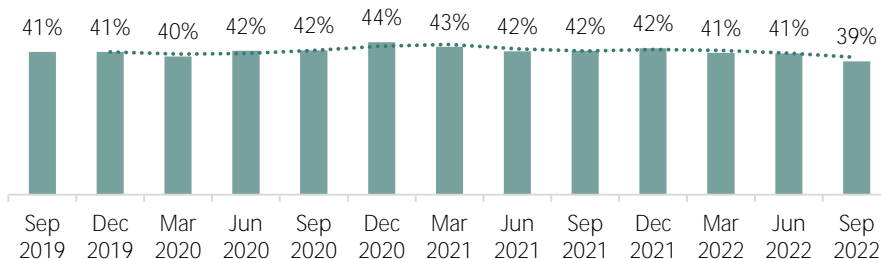
Current	%p change over		
	2 years	1 year	6 months
47%	-1.8%	-0.7%	0.3%



- ▲ In the Sep 2022 quarter, 47% of claims finalised without lump sums had no days lost recorded.
- ▲ In annual terms, the proportion of finalised claims without lump sums and no days lost decreased by 0.7%p.

Claim finalised without lump sum 1 - 59 days lost

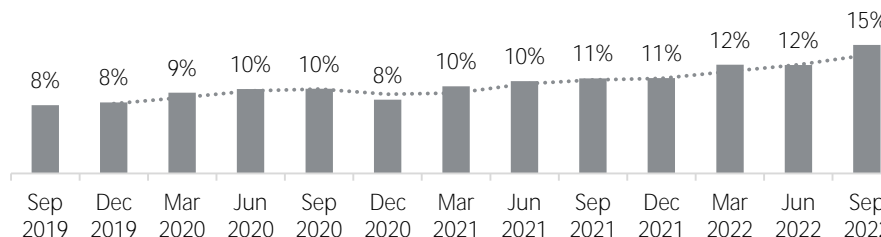
Current	%p change over		
	2 years	1 year	6 months
39%	-3.2%	-3.1%	-2.5%



- ▲ The proportion of claims with 1 to 59 days lost accounted for 39% of finalised claims without lump sums in the Sep 2022 quarter.
- ▲ This proportion decreased by 3.1%p over the last year.

Claim finalised without lump sum 60+ days lost

Current	%p change over		
	2 years	1 year	6 months
15%	5.0%	3.8%	2.2%

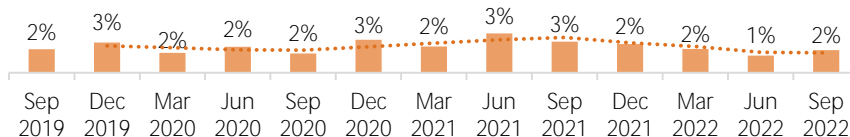


- ▲ Claims resulting in 60 days or more off work accounted for 15% of finalised claims without lump sums in the Sep 2022 quarter.
- ▲ Over three years, this proportion increased from 8% to 15%.

Scheme exits with lump sum

Proportion of claims finalised with lump sum - election registered

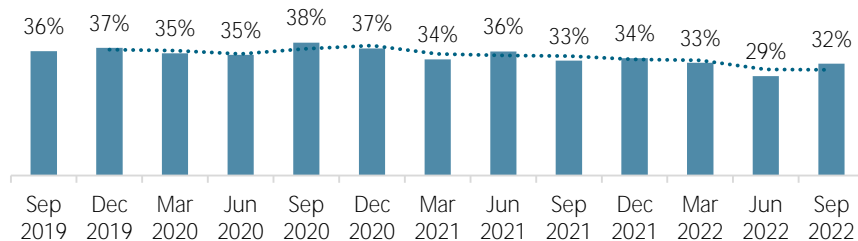
Current	%p change over		
	2 years	1 year	6 months
2%	0.3%	-0.7%	-0.1%



- ▲ In the current quarter, 2% of finalised claims with lump sums had elections registered.
- ▲ This proportion decreased by 0.7%p over the last year.

Proportion of claims finalised with lump sum - permanent impairment

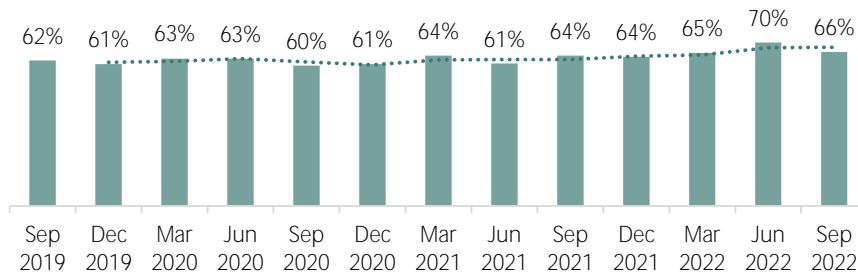
Current	%p change over		
	2 years	1 year	6 months
32%	-6.1%	-0.8%	-0.3%



- ▲ Less than a third of finalised claims with lump sums were for permanent impairment (Schedule 2).
- ▲ This proportion decreased by 0.8%p over the last year.

Proportion of claims finalised with lump sum - general

Current	%p change over		
	2 years	1 year	6 months
66%	5.8%	1.6%	0.4%

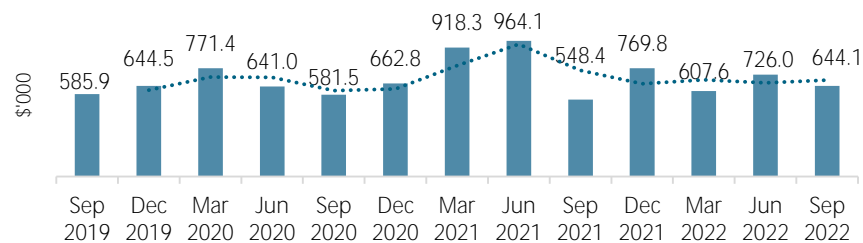


- ▲ The proportion of finalised claims with general lump sum payments was 66% in the current quarter.
- ▲ Over two years, the proportion increased by 5.8%p.

Scheme exits with lump sum - average claim cost

Average claim cost - finalised claim with lump sum - election registered

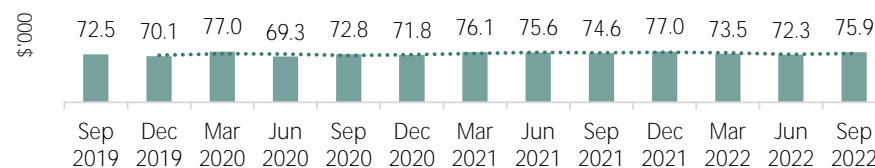
Current	% change over		
	2 years	1 year	6 months
\$644,119	10.8%	17.4%	6.0%



- ▲ The average claim cost for finalised claims with lump sums and election registered is subject to fluctuation due to the small number of claims.
- ▲ In annual terms, the average claim cost for this category increased by 17.4% to \$644,119 in the Sep 2022 quarter.

Average claim cost - finalised claim with lump sum - permanent impairment

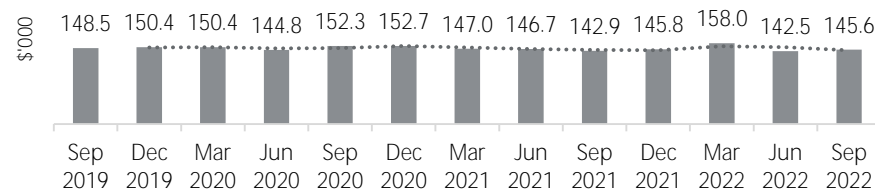
Current	% change over		
	2 years	1 year	6 months
\$75,930	4.4%	1.8%	3.3%



- ▲ The average claim cost for finalised claims with lump sum for permanent impairment (Schedule 2) was \$75,930 in the Sep 2022 quarter.
- ▲ Over six months, the average cost for claims finalised with lump sums for permanent impairment increased by 3.3%.

Average claim cost - finalised claim with lump sum - general

Current	% change over		
	2 years	1 year	6 months
\$145,580	-4.4%	1.8%	-7.8%

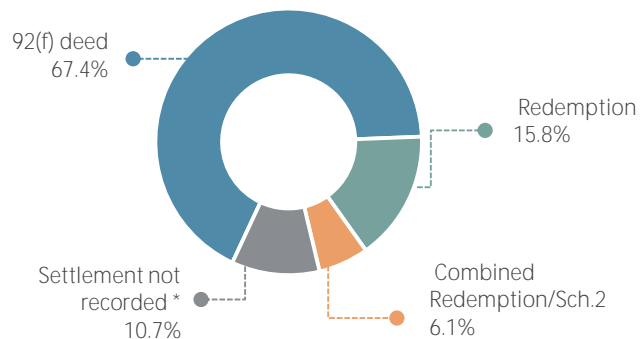


- ▲ In the current quarter, the average claim cost for finalised claims with general lump sums is \$145,580.
- ▲ The average claim cost increased by 1.8% from the previous year.

Breakdown of lump sum - general

Lump sum - general claims finalised in the last four financial quarters (2021/22 Q2 - 2022/23 Q1)

Lump sum - general	Claims
Section 92(f) deed	2,615
Redemption	612
Combined Redemption/Schedule 2	237
Settlement not recorded*	414

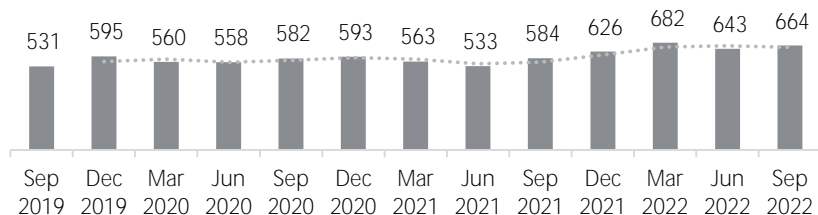


- ▲ The number of Section 92(f) deeds finalised over the last four quarters was 2,615, accounting for around two-thirds of total lump sum - general claims.
- ▲ Redemptions accounted for 15.8% of total lump sum - general claims over the same period.

* "Settlement not recorded" are claims with lump sum payments not recorded in the settlement database. Settlements can only be linked to one claim even though a settlement may be for more than one claim. Therefore, these claims are considered as 'Settlement not recorded' and often associated with noise induced hearing loss and industrial disease claims with exposure over a period of time and multiple employers. Claims settled through Section 67 consent order and some fatalities are also categorised in this group.

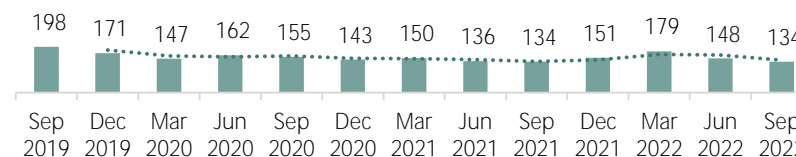
Number of claims finalised through Section 92(f) deeds

Current	% change over		
	2 years	1 year	6 months
664	14.1%	13.7%	-2.6%



Number of claims finalised through Redemptions

Current	% change over		
	2 years	1 year	6 months
134	-13.5%	0.0%	-25.1%



Glossary

Claim cost

Payments are adjusted for inflation to allow meaningful comparisons over time.

Finalised claims

Claims closed during a period (i.e. an initial finalisation date is recorded).

Lump sum – election registered

Finalised claim recorded in the settlement database with an election registered.

Lump sum - permanent impairment

Finalised claim which had no election registered but recorded as a Schedule 2 settlement in the settlement database.

Lump sum – general

Includes Section 92(f) deed settlement, Redemption, Combined Redemption/Schedule 2 and claims with lump sum payment but not recorded in the settlement database.

%p change over

Percentage point change measures the difference of two percentage values.

Section 92(f) deed election application

Section 92(f) deeds registered following the lodgement of a "Form 34 Election to retain right to seek damages". The worker's injury cannot be deemed less than 15% whole person impairment for these types of settlements.

Section 92(f) deed no election application

Section 92(f) deeds registered without the lodgement of a "Form 34 Election to retain right to seek damages".

Schedule 2 settlement

A Schedule 2 settlement compensates a permanent impairment based on a fixed formula that measures the type and severity of the permanent injury or illness.

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