

# Injury Schemes Seminar

Balancing Outcomes

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Sheraton Mirage Gold Coast



## Social Capital and Workers Comp – What is this Missing Ingredient?

**Dr Mary Wyatt and Associate Professor Alan Clayton**

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*This presentation has been prepared for the Actuarial Institute 2013 Injury Schemes Seminar.  
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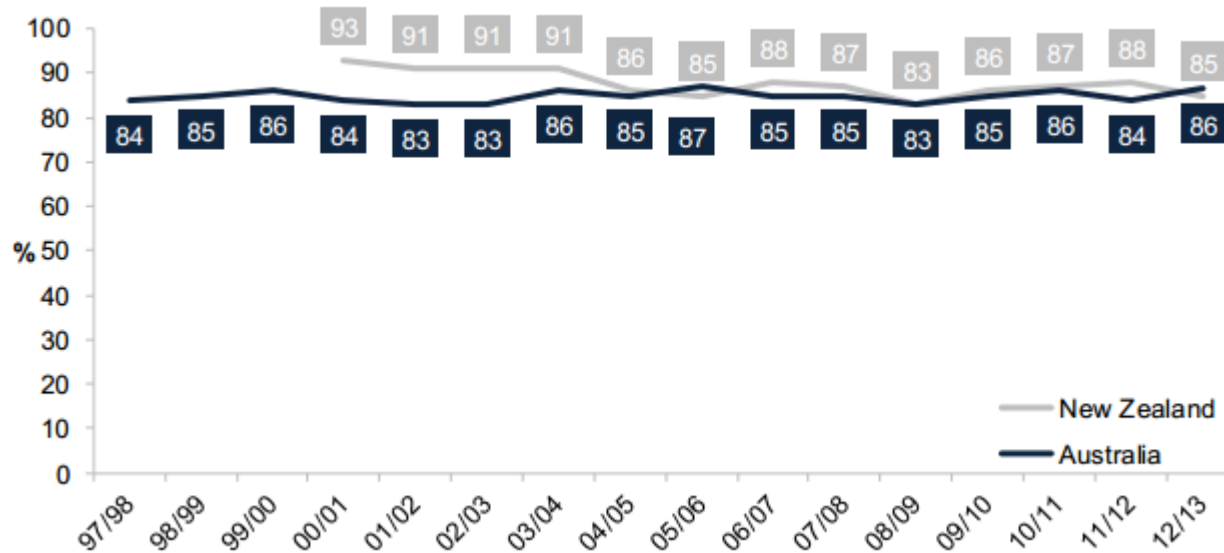


# What this presentation is about

- Return to work rates in Australian schemes have not improved in more than a decade and a half, despite most schemes declaring early and sustained return to work as a major scheme goal
- Addressing avoidable worklessness is both a social and economic imperative
- The notion of 'social capital' provides a powerful framework for the means of achieving effective return to work outcomes
- 'Social capital' brings together a number of older insights within a construct, primarily developed by three contemporary thinkers
- There is a large body of empirical work addressing the enablers of, as well as the barriers to, effective early and durable return to work
- An Australian case study vividly exemplifies these issues



# Return to Work Rates – Australia and NZ 1997-98 to 2012-13





# Social and health imperative of effective RTW

- Suicide in young men > 6 months out of work is increased x40 <sup>1</sup>
- Suicide rate in general increased x6 in longer-term worklessness <sup>2</sup>
- Health risk and life expectancy greater than many “killer diseases” <sup>3</sup>
- Greater risk than most dangerous jobs (construction/forestry) <sup>4</sup>

1. Wessely S. Mental health issues. In: Holland-Elliot K, ed. What about the workers? Proceedings of an RSM Symposium. London: Royal Society of Medicine Press; 2004:41-6.
2. Bartley M, Sacker A, Schoon I, Kelly M, Carmona C. Work, non-work, job satisfaction and psychological health: evidence review: Health Development Agency; 2005.
3. Aylward M, Waddell G. The Scientific and Conceptual Basis of Incapacity Benefits. In: The Stationary Office; 2005.
4. Aylward M. No one written off: Reforming welfare to reward responsibility. Consultation Event DWP Welfare Reform Green Paper Cardiff; 2008.



# Economic imperative for effective RTW

- Total work days lost from wc claims in 2011-12 in South Australia > 560 000 days  
– (ie 1536 years of lost productivity in one year) (WorkCover SA, 2013)
- Total time lost from Victorian wc claims between 1995 and 2008 amounted to 189,000 years of productivity (Ruseckaite and Collie, 2013)

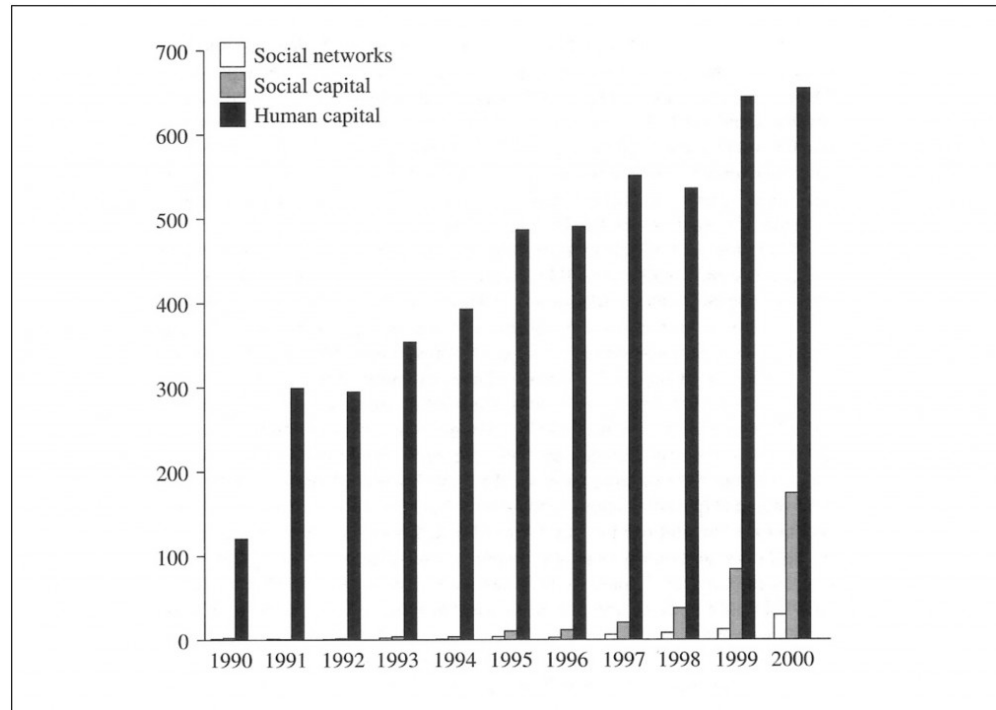


# Social capital

- Notion implicit in early social research – eg Durkheim
- Explicitly developed from the 1990s, particularly in the work of three theorists – Pierre Bourdieu, James Coleman and Robert Putnam
- Some differences of emphases in this work
- Social capital = “features of social organization such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit” (Putnam, 1995)
- Different dimensions – eg bonding social capital, bridging social capital

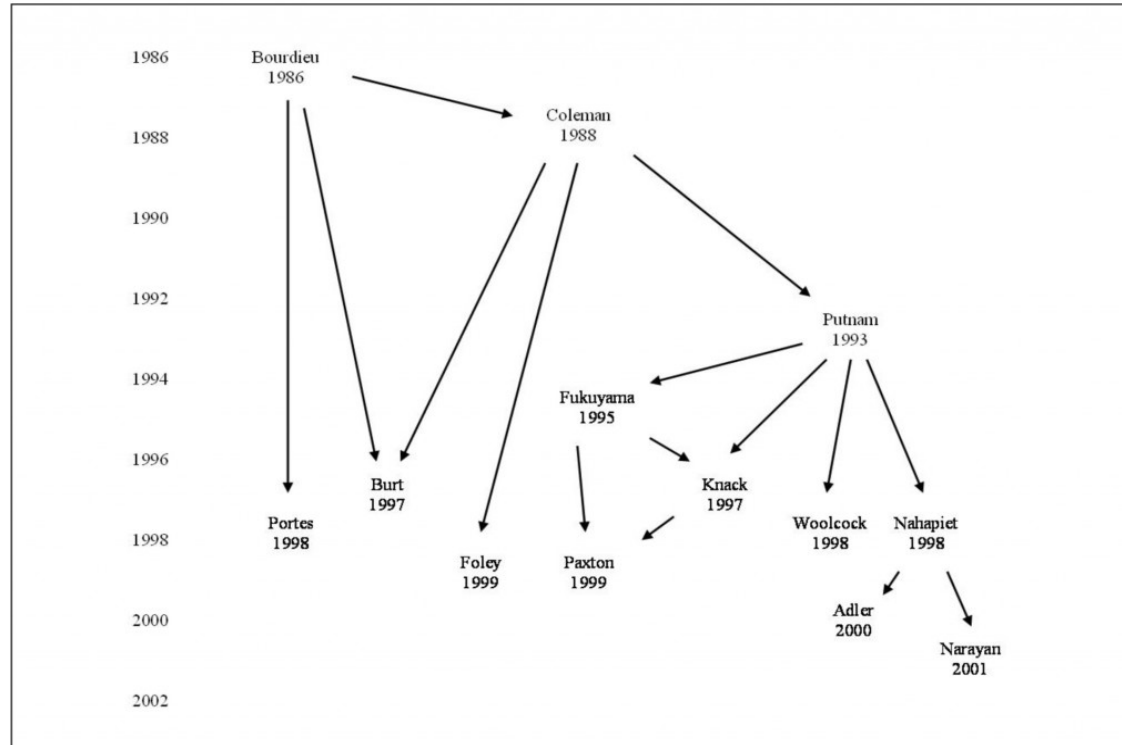


# Rise of social capital in academic social analysis





# Three strands of social capital theory







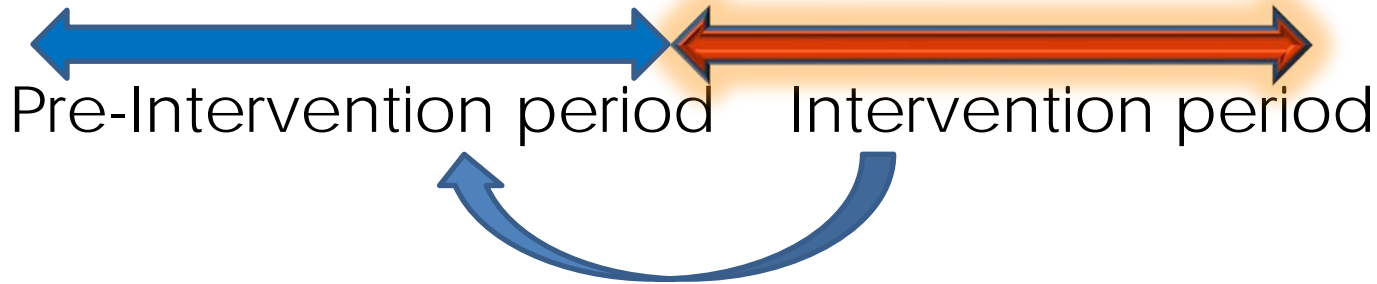
# Social capital and effective RTW

- Large research body that demonstrates the strong relationship between high levels of social capital and early and durable rtw
  - Michigan Disability Prevention study – (Hunt and Habeck 1993)
  - Maine Carpal Tunnel study – (Amick, Habeck et al 2000)
  - Social capital and mental health (Almedom 2005)
  - Occupational bonding (Australian study) - (Kenny 1995)
  - Systematic literature reviews
    - Quantitative studies (Franche, Cullen et al 2005)
    - Qualitative studies (MacEachen, Clarke et al 2006)
  - Role of co-workers (Kosny et al 2013; Dunstan and MacEachen (in press))
  - Institute for Work and Health – *Seven Principles of Successful RTW*

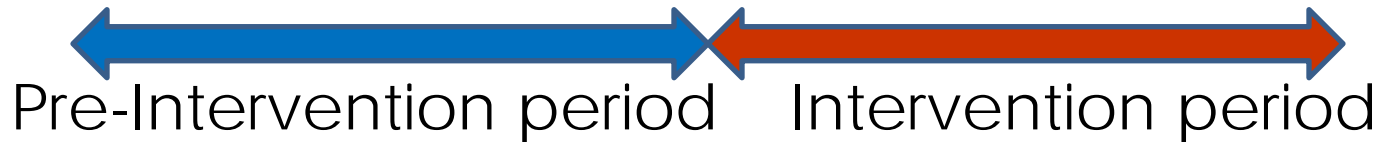


## Data from

### Intervention companies



### Matched controls



[Multi-Faceted Case Management: Reducing Compensation Costs of Musculoskeletal Work Injuries in Australia.](#) Iles RA, Wyatt M, Pransky G. J Occup Rehabil. 2012 Apr 1.



# Intervention

- Day one reporting 24/7
- Case managers coordinating
- Supervisors engaged
- Senior managers
- Early appropriate treatment, usual GP or company Dr
- Dealing with the
  - Fears
  - Difficult workplace issues
  - Delays in treatment approvals
  - The occasional person who didn't wish to comply with the spirit of RTW

Example: cartilage tear, rtw @ 10 days vs 4 months

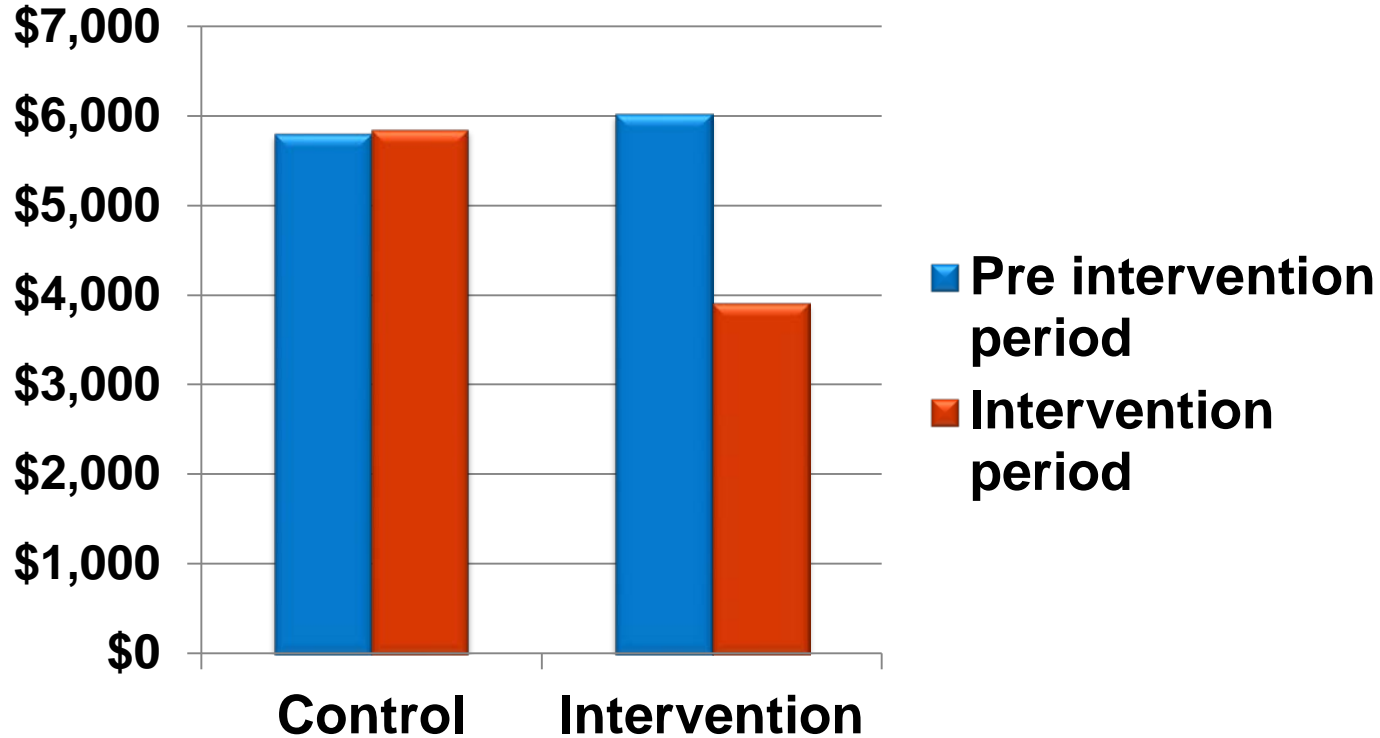


# Setting

- Across varying industries – health, manufacturing, aged care etc
- Approx 800 cases and 2500 matched controls
- Approx 12 companies, medium to very large
- Intervention implemented by private company

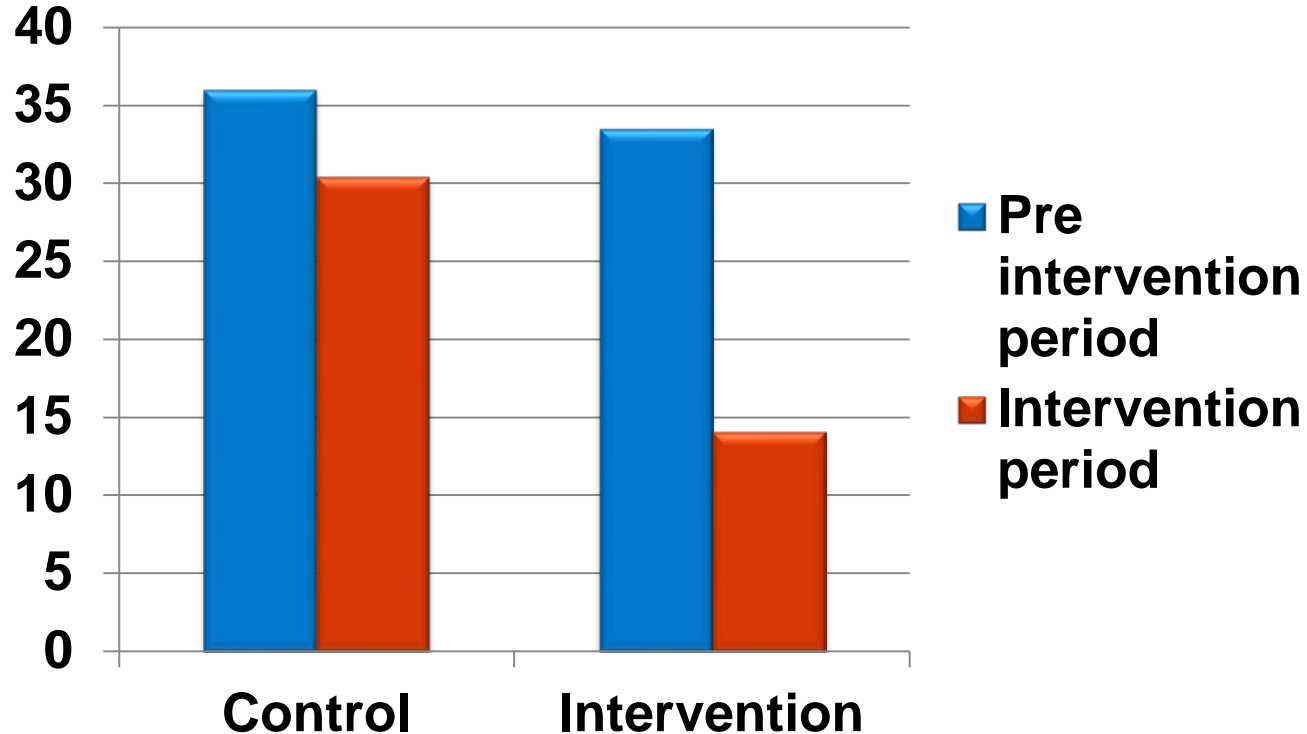


# Average claim costs



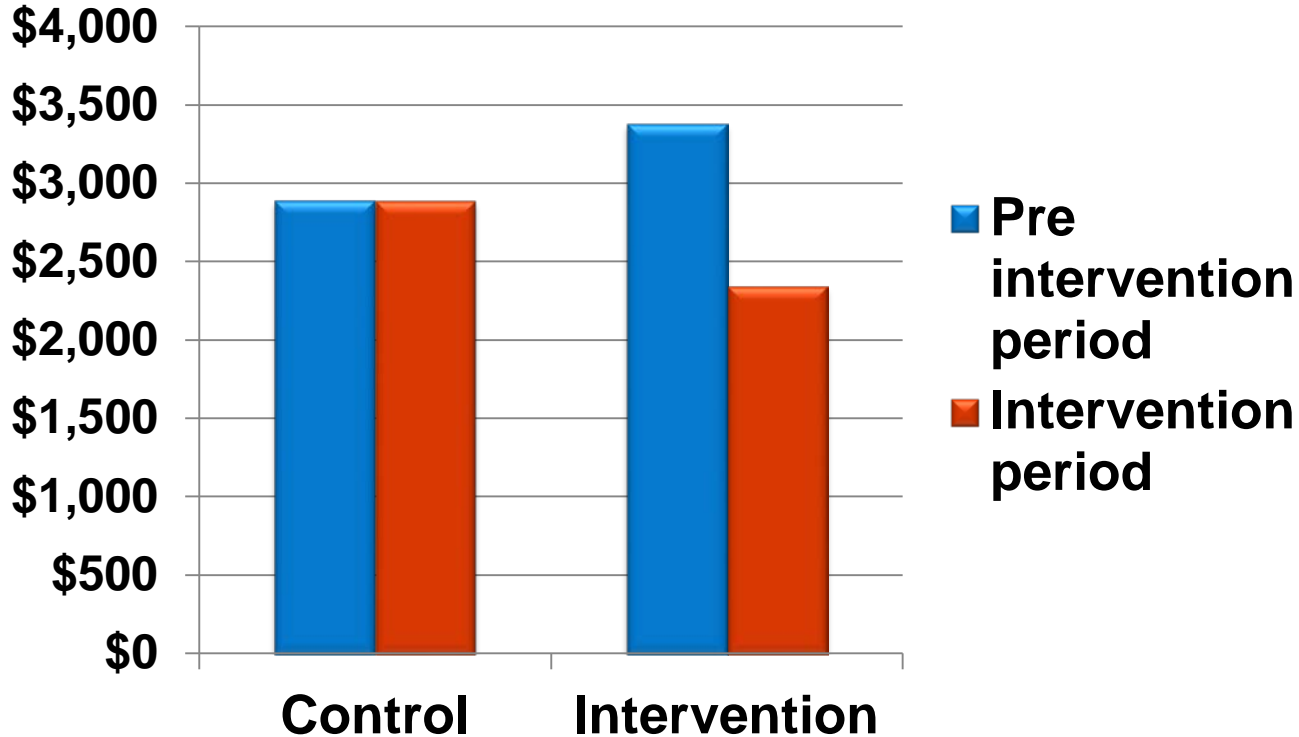


# Average days off work



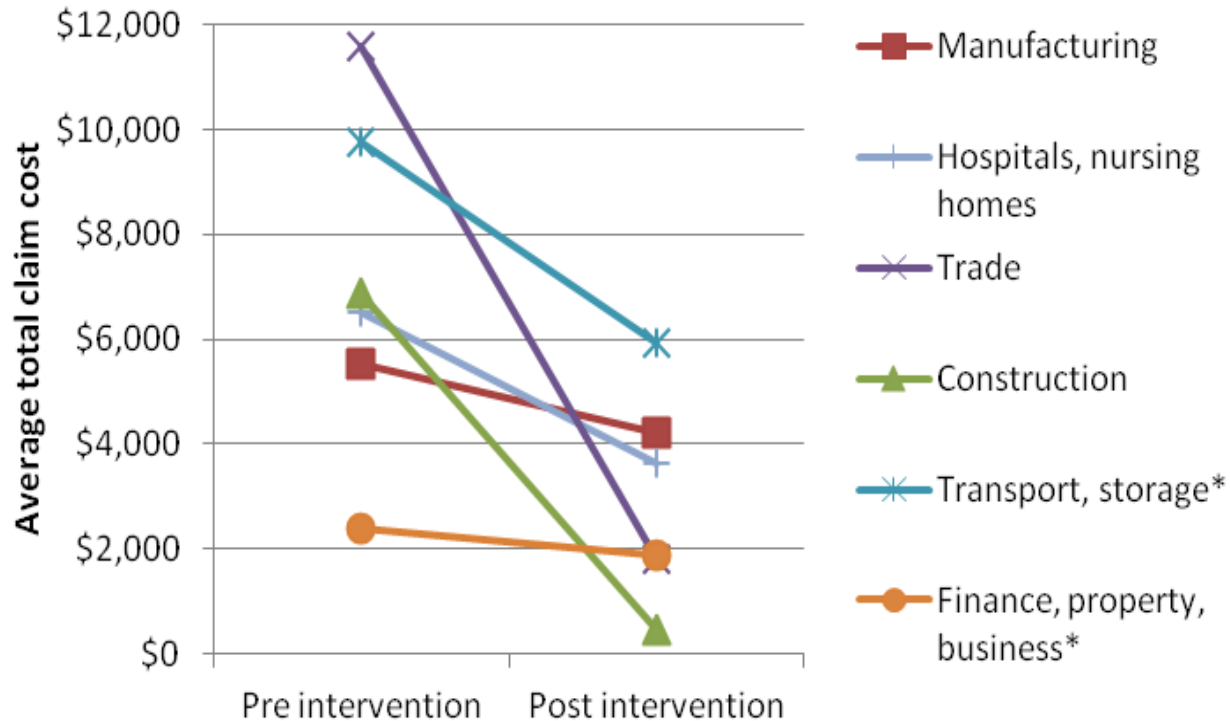


# Average medical costs





## Industry sector







# Fundamental aspects

## Working principles

- Work with people
- Get the employer (supervisor) on board
- Trust is crucial, at case and workplace level
- Early sensible medical care
- Avoid delays
- Competent case manager

## Results

- Change in supervisor attitudes
- Avoid disputes
- Doctors rarely a barrier
- Employees respond to support
- Build trust

*Example: cartilage tear, rtw @ 10 days vs 4 months*



# What works and what doesn't

## Building blocks were

- Trust
- Reciprocity
- Development of social capital

## In long term disability

- These factors are missing
- Perceived injustice