



SYNOPSIS

The Future of Workers Compensation

Lisa Simpson

Key words: Workers compensation, benefit design, changing workforce, health provider commissioning, digital transformation

Purpose of your paper: The paper explores the impact of three key trends on workers compensation:

- 1) The nature of work and the composition of the workforce are changing. More people work casually or in flexible arrangements, are self-employed and work in a range of different work places. The workforce is also aging, and the mix of future industries and skills is changing.
- 2) There is pressure on our health care system, due to our aging population. Transformation in the commissioning of health services towards more outcomes based approaches is gaining speed.
- 3) Digital transformation in claims processes is also accelerating, and schemes are focusing on the client experience.

In light of these trends, what does the future look like for workers compensation? How will the product change in terms of who is covered, and what they are covered for? How will this interact with social welfare? How will we fund the cost? What role with treatment providers play? How will digital transformation impact workers compensation?

Synopsis: This paper will start with an analysis of the trends impacting the workforce of the future, including demographic shifts, future industry and skills mix and analysis of the trends towards casual and flexible work. From this analysis, we consider the impact on workers compensation as currently defined in most states. We explore alternative approaches to coverage definitions and funding mechanisms, including drawing examples from other countries.

Next we explore the future of health and the impact on workers compensation. We explore wellness in the workplace and look at the concepts of integrated health and outcomes based commissioning.

Finally, we explore the trends emerging in digital transformation and provide examples of where injury schemes are evolving their processes in light of new technology. These trends including re-designing processes with more of a lens towards the client experience, incorporating behavioural insights.