

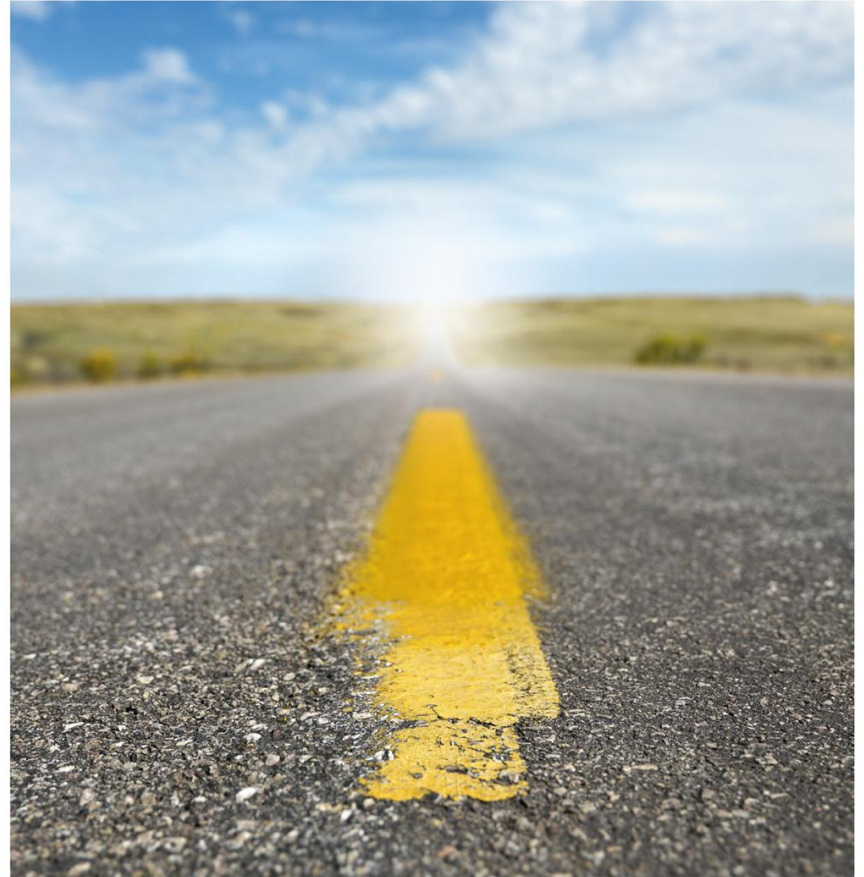
Injury Schemes Seminar

Road to Recovery



**Actuaries
Institute**

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A ramble on optimizing return to work outcomes

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This presentation has been prepared for the Actuaries Institute 2015 Injury Schemes Seminar.

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Agenda

1. Why RTW is important
2. Factors influencing RTW – Claimant
3. Factors influencing RTW – System
4. Key takeaways

Why RTW is important

- Next best thing to prevention
- Increase health and wellbeing
- Maximise return to pre-injury life
- Increase workforce productivity
- Reduce cost to Scheme and ultimately employers
- Reduce government benefits (e.g. centrelink)

Factors Influencing RTW – Claimant



Factors Influencing RTW – Claimant



Injured Worker – Health, Psychological & Social Characteristics

- Physical impairment
- Psychological impairment – pain, fear, anxiety, stress
- Pre and post injury income
- Social factors

Factors Influencing RTW – Claimant



Injured Worker – Attitudes & Perceptions

- Self perceptions
 - Of injury and impairment
 - Of functional ability
 - Ability to recover
 - Ability to RTW
 - Pain
 - Fear or re-injury
 - Depression, anxiety and stress

Factors Influencing RTW – Claimant



Injured Worker – Attitudes & Perceptions

- Perceptions of Employer, Workplace & System
 - Job satisfaction
 - Supervisor's first response to injury
 - Support offered to employees
 - Attitudes and support of co-workers
 - Suitability of duties, accommodations and modified work
 - Satisfaction with insurer
 - Satisfaction with care provider

Factors Influencing RTW – Claimant



Injury Characteristics

- Injury nature, location & circumstances
- Type of treatment
- Completion of rehabilitation program
- Injury history – chronic, acute

Factors Influencing RTW – Claimant



Employer Characteristics

- Size of employer (wages, employees)
- Job category (desk or labour)
- Ergonomic risk of work
- Financial rewards of job
- Job tenure
- Workplace environment
- Preventative interventions

Factors Influencing RTW – Claimant



Employer – Attitudes & Perceptions

- Injured worker willingness to RTW
- Availability of workplace accommodations
- Capabilities to supply suitable and/or modified duties

Factors Influencing RTW – Claimant



Claim Characteristics

- Previous claim history
- Date of injury
- Date of claim
- Workers compensation benefit type

Factors Influencing RTW – Claimant



Demographic Characteristics

- Age
- Gender
- Level of pre-employment education
- Marital status
- Language spoken at home
- Union membership

Factors Influencing RTW – Claimant



Rehabilitation & Medical Care

- Treatment type
- Timely treatment
- Rehabilitation completion
- Treatment location

Factors Influencing RTW – Claimant

Summary and thoughts

- Many different factors influence RTW
- Not all claims are the same
- The majority of claims will RTW with very little effort and intervention by agents/insurers
 - Opportunities to streamline this further and not put up barriers to RTW
- Need to identify the remaining claims early to improve outcomes

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

Data

- Still not collecting the right data
- Need to collect psycho-social data
- Health measurement tools
- Could be tremendously valuable for prediction purposes
- Evidence based outcomes

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

System Design

- Benefit design is very important
- Lump sum schemes have poorer RTW (and other) outcomes
- Early reporting and intervention is critical
- Role of participants (providers, employers and insurers)
- Operating model is not important

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

Processes & Management

- Very process oriented
- Extremely person centric business
- Need to treat/manager the whole person
- Early intervention
- Investment in technology change
- Needs an unrelenting focus and commitment to developing your people as well as ensuring they have the right tools to do their job

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

Governance & Leadership

- Monitoring and control cycle
- Engaged and proactive management
- Best predictor of Scheme Agent/Insurer performance

Factors Influencing RTW – System

Data

System Design

Processes & Management

Governance & Leadership

Incentive Alignment

Incentive Alignment

- Workers compensation systems are complex
- Remuneration by itself is not enough
 - Proactive reallocation of market share
 - Publishing performance
- Role of behavioural insights

Key Takeaways

- Workers compensation is extremely complex - you can't just chose one area to improve. It needs to be a holistic approach.
- Collect the right data and use it – evidence based outcomes
- The right system/process is not the holy grail – need engagement
- Bringing the worst performers in line with the best will alone result in substantial RTW outcomes
- Communication with all Scheme participants