Who Am I?

The next evolution of client risk identification and segmentation at the TAC

David Gifford & Cassie Citroen

Outline

/ Strategic Context

/ Longitudinal Study

/ What's Next

Outline

/ Strategic Context

/ Longitudinal Study

/ What's Next

The Transport Accident Commission

/ Victoria's state owned, monopoly Compulsory Third party insurer

/ No fault treatment, support and compensation benefits

/ Common Law damages for those not at fault with a "serious injury"

/ Significant role in accident prevention

/ Approximately 18,000 claims per year

3 broad client groups

1% > Independence

Independence clients sustain catastrophic injuries and have a life long relationship with the TAC. They require tailored support to get their lives back on track.

19% > Supported Recovery

The TAC have a group of Recovery clients who we know have more complex needs and are likely to benefit from active engagement and support.

80% > Rapid Recovery

The majority of Recovery clients have needs which are generally simple and transactional. Most claims are low cost and short duration - with just over 50% of clients entering and exiting the scheme within 3 months.

The 3 groups are very different

	CLAIMS PER YEAR*	ANNUAL CLAIMS COST*	LIABILITY*	AVERAGE CLAIM $	RISKS AND OPPORTUNITIES
Independence 1%	150	**$248m** (28%)	**$7.7bn** (73%)	**$2.25m**	• Disability providers • NDIS • NIIS
Supported Recovery 19%	2,650	**$547m** (62%)	**$2.8bn** (27%)	**$175k**	• Common Law • Mental Health/ Persistant Pain • Other complexities
Rapid Recovery 80%	12,700	**$83m** (9%)	**$0.05bn** (<1%)	**$7k**	• Efficient service • No touch/low touch • Automated/digital
	15,500	$878m	$10.7bn	$60k	

Supported Recovery clients have more interactions and lower LBoT scores

AT 12 MONTHS POST ACCIDENT	SUPPORTED RECOVERY		RAPID RECOVERY
Services	196	>	28
Phone Calls	25	>	5
Exceptions	46	>	5
Some level of pain	82%	>	43%
Mental Health issues	36%	>	19%
Cognitive Difficulties	43%	>	27%
Solicitor Engagement	27%	>	7%
Mean satisfaction with the TAC (/10)	8.23		8.45
Life back on track (/10)	6.50		8.25

Corporate Measurement Framework.

Outcomes

TOWARDS ZERO
- Lives Lost
- Serious Injuries

CLIENTS' LIVES BACK ON TRACK
- Client Health & Independence Outcomes
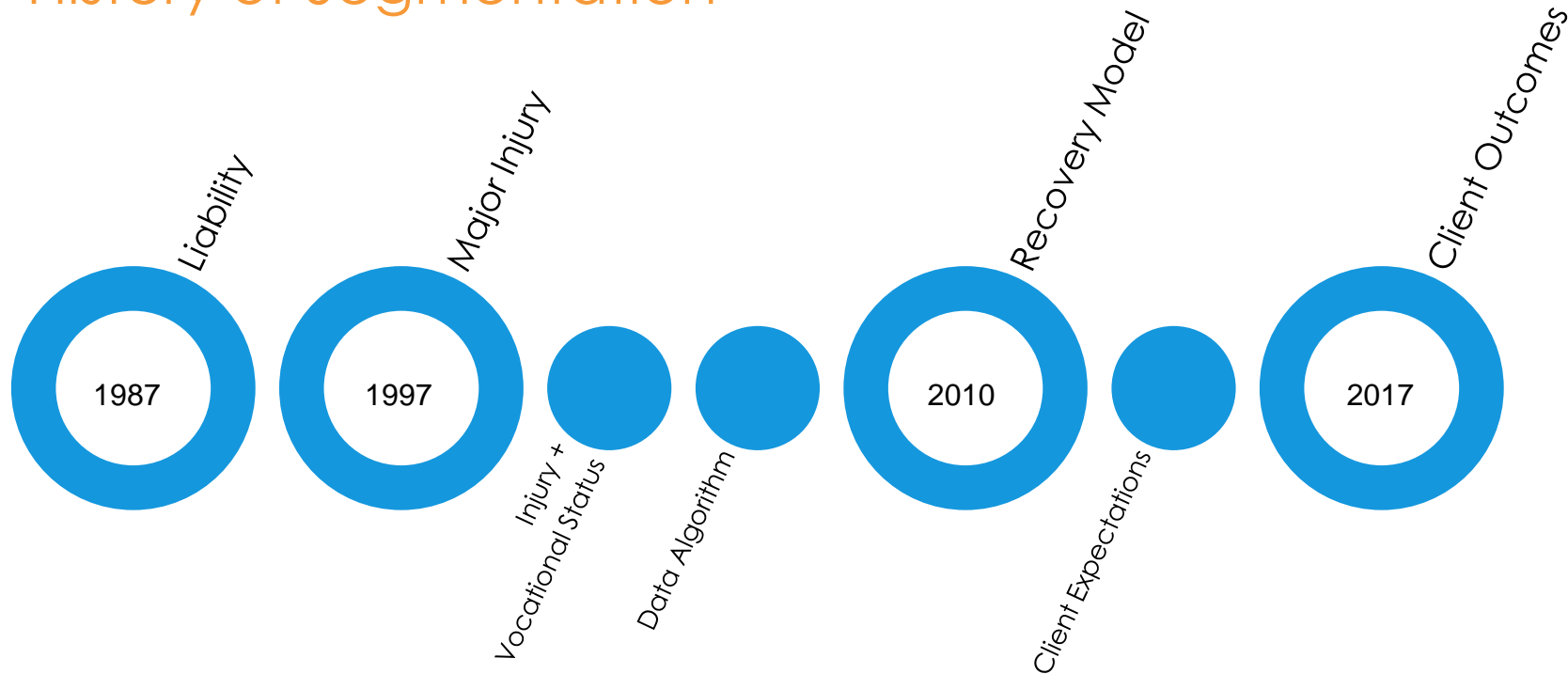- Client Experience & Service

Sustainability

FINANCIAL
- PFIO (liability movement)
- Administrative Ratio
- Funding Ratio

PEOPLE
- Sustainable Engagement

History of Segmentation

Liability
1987

Major Injury
1997

Injury + Vocational Status

Data Algorithm

Recovery Model
2010

Client Expectations

Client Outcomes
2017

Outline

/ Strategic Context

/ Longitudinal Study

/ What's Next

Longitudinal Study,
Research Objectives

The TAC Longitudinal Study follows Recovery clients as they journey through the TAC scheme on their return to health and work following a transport accident.

Three Primary Research Goals:

1. To measure primary outcomes of TAC clients across health, vocational and client experience at the acute, acute, rehabilitation, adaptation and stability phases of recovery from injury.

2. To identify predictors of outcomes following injury, and how these predictors impact the recovery trajectories of TAC clients.

3. To determine the extent to which TAC can influence outcomes across health, vocational and client experience, and identify the factors that the TAC may be able to utilise in claims management to improve client outcomes.

Longitudinal Study,
Study design and participation

5
Time points

1,566
Recovery Clients

52%
Participated at first 4 time points

39%
Participated at 48 month time point

Time 1 3 months			Time 2 6 months	Time 3 12 months	Time 4 24 months	Time 5 48 months
Pre-accident Phase	Accident Phase	Acute Phase	Rehab Phase	Adaption Phase	Stable Phase	Extended Stable Phase
Health	Accident Circumstances	Psycho-Social				
Vocational	Injury Characteristics	Health				
		Vocational				
Personal Factors		Scheme Experience				
		Environment				
			Legal Processes			

Longitudinal Study

What are the major barriers to Getting Life Back on Track?

Longitudinal Study,
Analysis: Domains of Complexity

Statistical analysis was used to understand the relationship between early client reported factors and poor Life Back on Track at 12 months post accident.
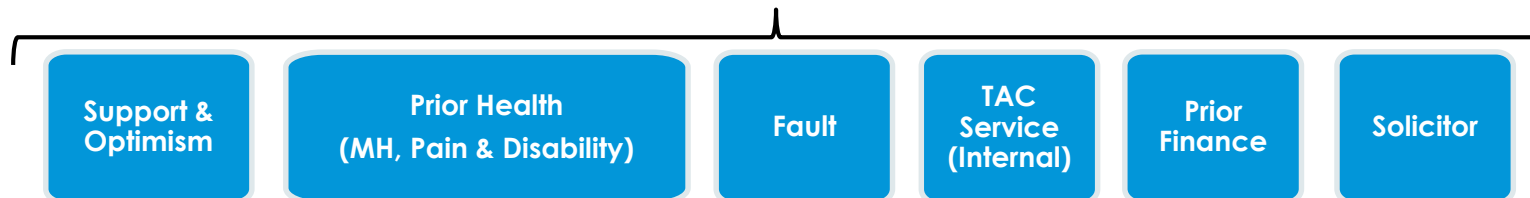
Results:

'Big 6' Domains

Mental Health	Physical Health	Pain	Service Environment (External)	Accident Response	Recovery Expectations

Strongest relationship to outcomes up to 2 years post accident

Supplementary Domains

| Support & Optimism	Prior Health (MH, Pain & Disability)	Fault	TAC Service (Internal)	Prior Finance	Solicitor

Reasonably strong individually, less important in combination with the "Big 6"

Longitudinal Study,
Compounding Effect

Clients can experience substantial difficulty in more than one domain

Y-axis: Life Back on Track 12 months
X-axis: Number of 'Big 6' Complexities 3 months post accident
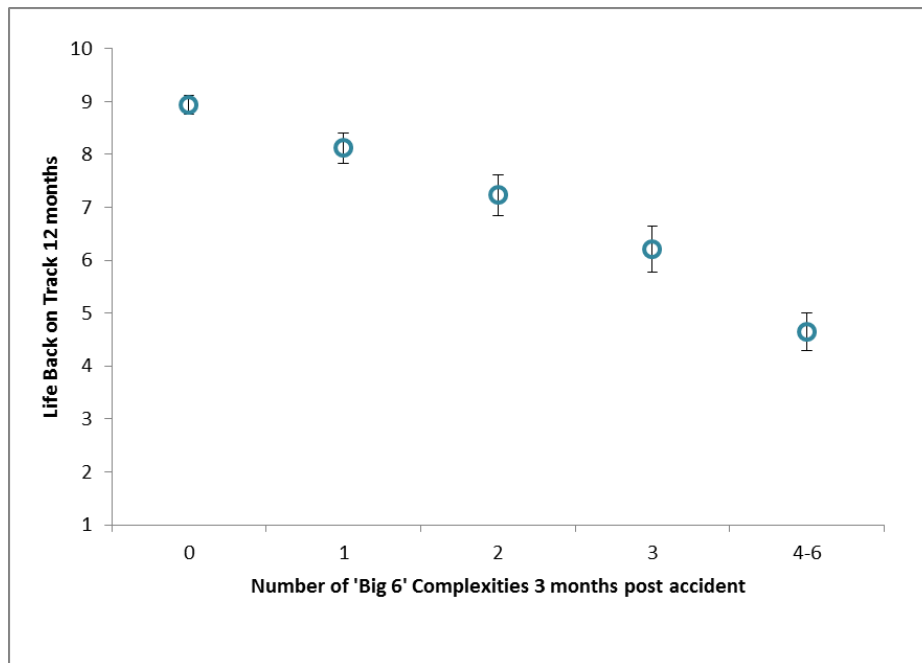
Longitudinal Study,
Emerging insights

Early findings informed the development of an initial screen for mental health / persistent pain. The screen has been used over 3000 times since mid 2014. Initial findings:

- The screen has been used immediately following a transport accident
- The screen provides strongly graduated differentiation across a range of outcome-related claim measures
- The screen provides additional differentiation within profiles
- Action is being taken as a result of the screen
- The TAC can identify need and potentially influence client and provider behaviour

Screening questions — Cognition — Resilience — Social supports — Pre-existing mental health
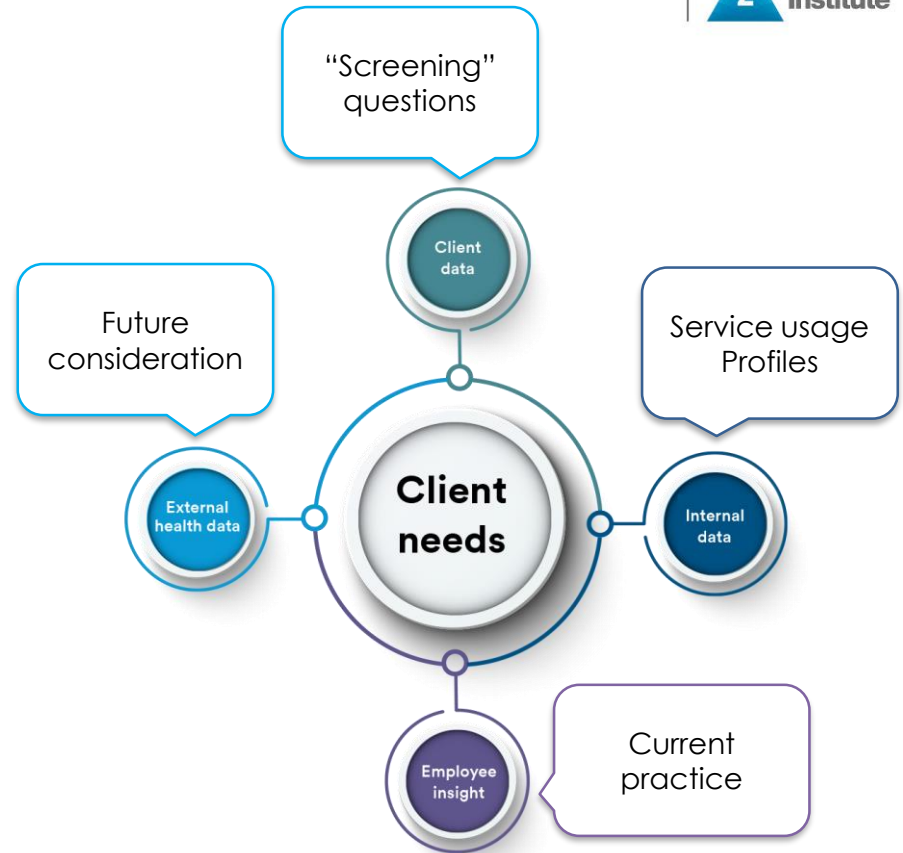
Longitudinal Study,
Emerging insights

Outline

/ Strategic Context

/ Longitudinal Study

/ What's Next

Needs Identification

Across the organisation, how we understand our clients is fundamental to how we support them to get their lives back on track.

Needs Identification Model – initial version

Service Usage Profiles

- Targeting level and duration of services (i.e. cost)
- Cluster Analysis and Machine Learning algorithm
- Built using "internal data"

Client Complexities (Screening Questions)

- Targeting Life Back on Track (LBOT) score
- PCA and Regression Analysis
- Built using "client data"

Initial Needs Identification,
Considerations

Relative Client Complexity - TAC Longitudinal Study scaled to intake population
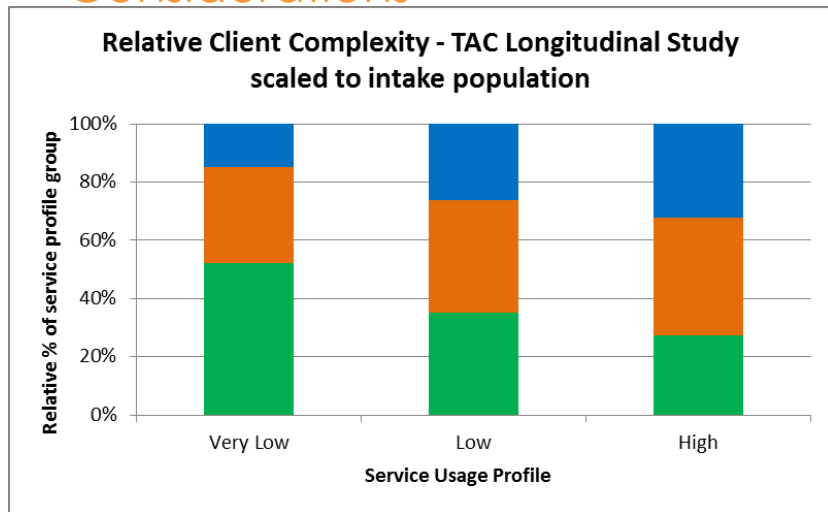
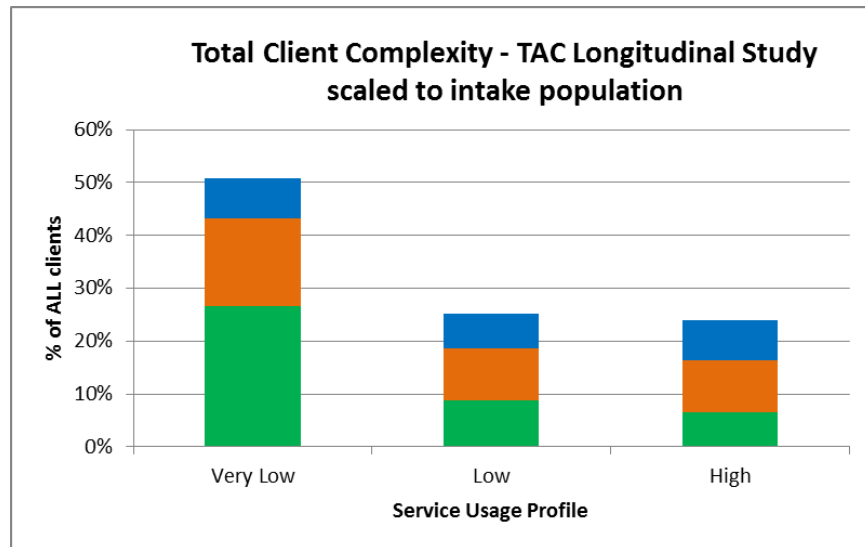**Client Complexity**

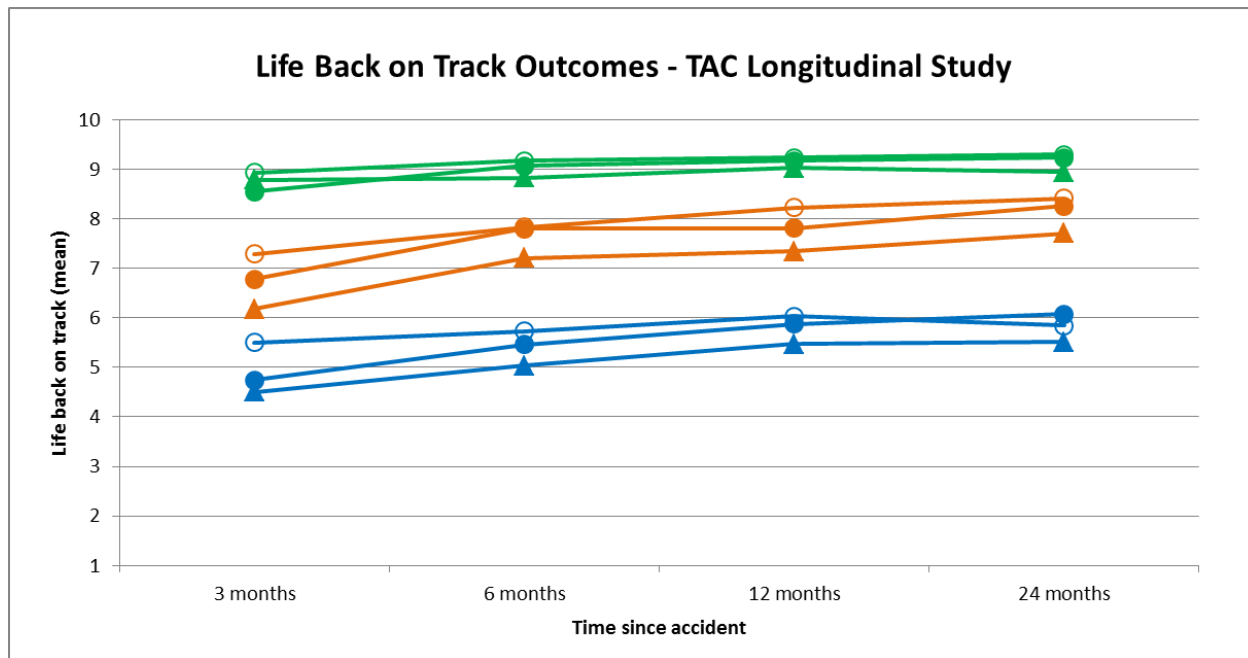■ Low (0-1) ■ Moderate (2-3) ■ High (4-6)

Based on the relative mix of clients, the very low profile group has fewer vulnerable clients (High 4-6) compared to both the low and high profile groups.

However, since the very low profile contains half the population of clients its most vulnerable clients (High 4-6) contribute a third to the overall population of vulnerable clients.

Total Client Complexity - TAC Longitudinal Study scaled to intake population

Initial Needs Identification,
Considerations

Life Back on Track Outcomes - TAC Longitudinal Study

Client Complexity
— Low (0-1)
— Moderate (2-3)
— High (4-6)

Service Usage Profile
○ Very Low
● Low
▲ High

Regardless of service profile group the most vulnerable clients (high 4-6) have demonstrably poorer life back on track outcomes over time.

What are we doing?,
Needs Identification Screening

Trial 1

Aim: Use screening to **triage clients** between the Rapid Recovery and Supported Recovery Divisions

Trial 2

Aim: Early **targeted identification of need** within the Supported Recovery Division

What are we doing?,
ISCRR recommendations

- Trialed our own identification approach and in the process of evaluation ✓

- Applied a combined approach to identification ✓

- Applied a simple approach to identification ✓

- Incorporated flexibility and staff judgement ✓

- Considered solution integration ✓

- Stakeholder engagement and partnership **?**

- Staff skills required, training and support **?**

- Clear referral pathways **?**

- Screen timing and client communication needs **?**

Needs Identification Model

Aim: Get every client managed in the right division based on their needs at that point in time. That is, clients' needs will be identified and aligned to the appropriate business division and response.

This will be achieved via three sub models and accompanying Client Movement Model.
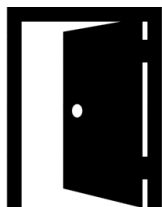
Initial Needs
Identification Model
New clients

Ongoing Needs
Identification Model
New and Existing Clients

Needs Identification
Migration Model
Existing Clients

Client **Movement** Model

Reflections

- The link between the organisation's strategic goals and segmentation is critical

- Findings in a research setting can be successfully translated into claims management practice

- The balance between different inputs is key

- Segmentation (identification of need) is only (a small!) part of the story – the response to those needs is key

- When targeting client outcomes, what clients tell you will almost certainly be the most important information

"Abandon the urge to simplify everything, to look for formulas and easy answers, and to begin to think multidimensionally, to glory in the mystery and paradoxes of life, not to be dismayed by the multitude of causes and consequences that are inherent in each experience -- to appreciate the fact that life is complex."

M. Scott Peck