

# Change • Challenge • Opportunity

## Injury & Disability Schemes Seminar

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12 - 14 November 2017 • Sofitel • Brisbane



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# Early reporting incentives to reduce time between injury and claim: a multiple baseline interrupted time series study of two workers' compensation jurisdictions

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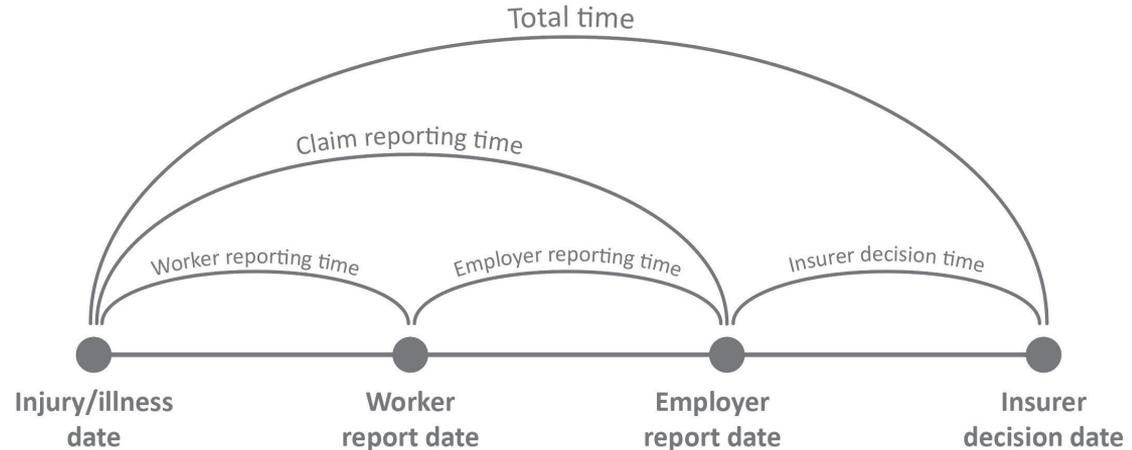


# BACKGROUND



# Claim lodgement process

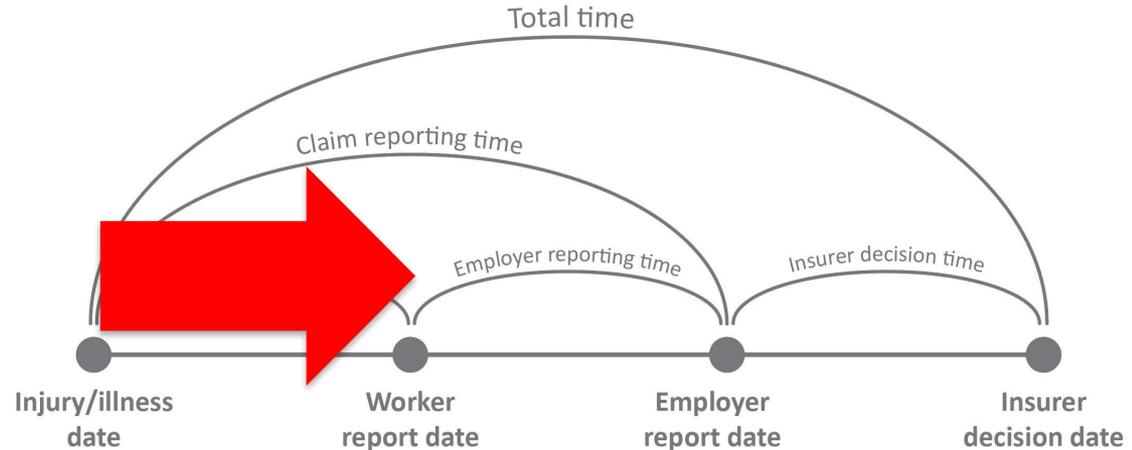
- Delays in claim lodgement process
  - Can lead to poorer mental & physical health (Grant et al 2014)
  - Is associated with long-tail claims (Cocker et al, in submission)
- Faster employer reporting may accelerate process, lead to faster treatment and better injured worker outcomes
  - Financial incentives proposed (Clayton 2007, Clayton & Walsh 2007)





# Claim lodgement process

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# Early Reporting Incentives

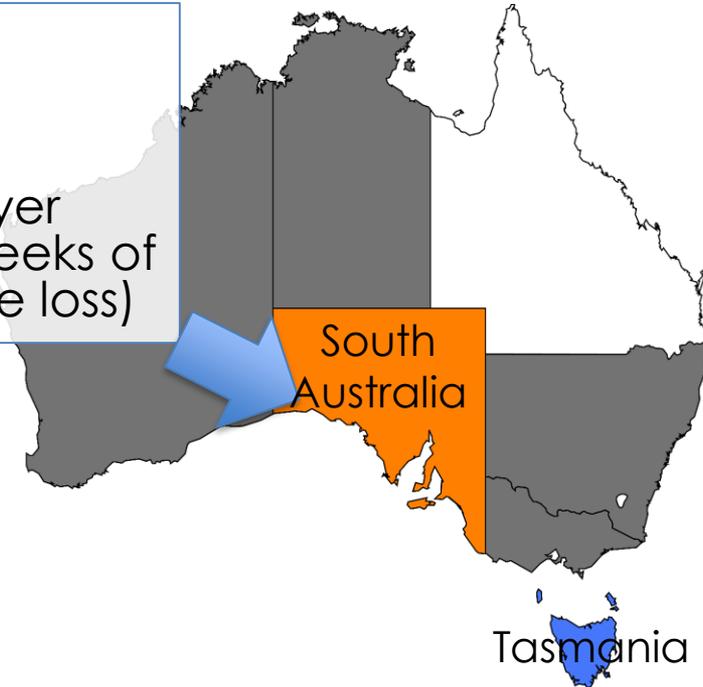




# Early Reporting Incentives

## South Australia

- January 2009
- 2 days to report
- Rebate on employer excess (first two weeks of compensated time loss)

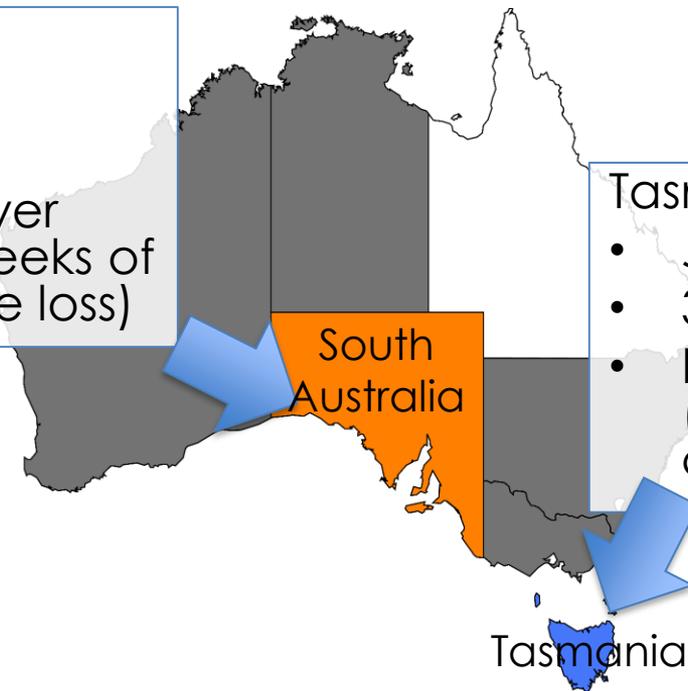




# Early Reporting Incentives

## South Australia

- January 2009
- 2 days to report
- Rebate on employer excess (first two weeks of compensated time loss)



## Tasmania

- July 2010
- 3 days to report
- Penalty incentive (wage replacement costs for each day late)



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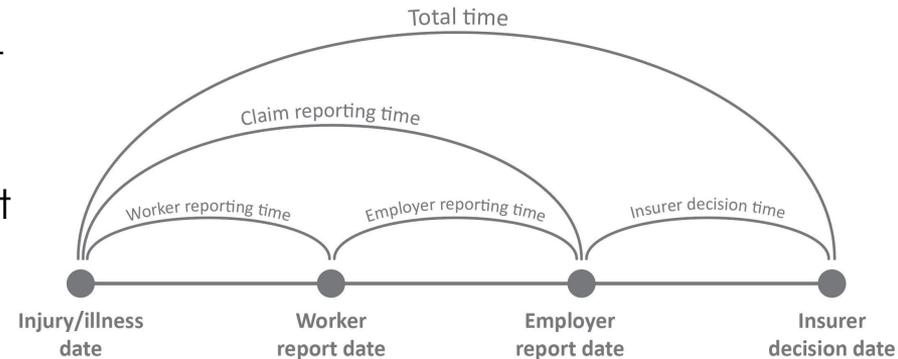


# METHODS



# Methods

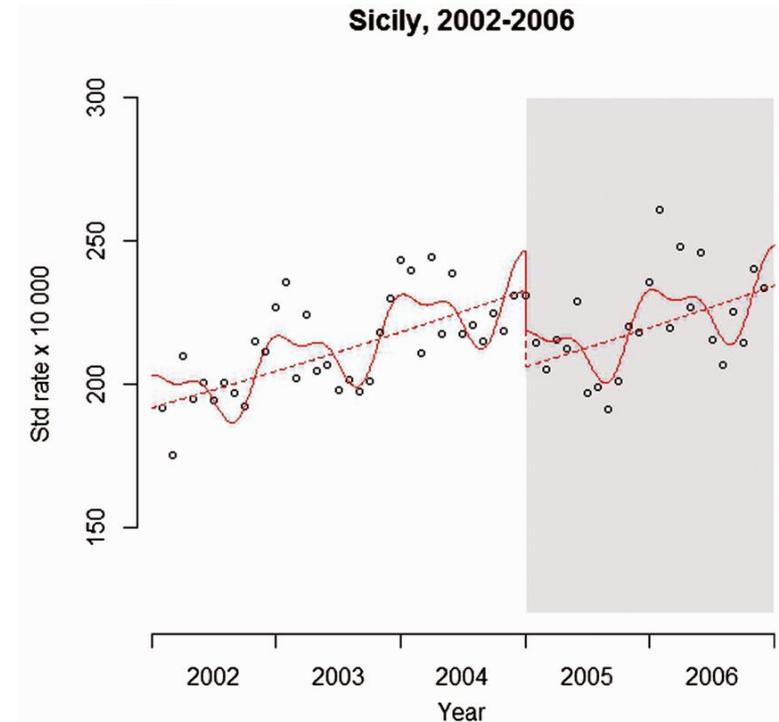
- Research question
  - Were reporting incentives effective in reducing time in the claim lodgement process?
- Data:
  - National administrative claims dataset (Safe Work Australia 2004)
  - Previously used to compare durations of compensated time loss (Collie et al 2016)





# Study design

- Interrupted time series
  - Example (right)
    - Impact of public indoor smoking ban in Sicily (Lopez Bernal et al 2016)
  - With multiple baselines & comparator
  - Strong quasi-experimental study design
- Evaluated changes to monthly median of days between key events in process
  - Claim reporting time, insurer decision time, and total time
  - Worker reporting time and employer reporting time (South Australia only)





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# RESULTS



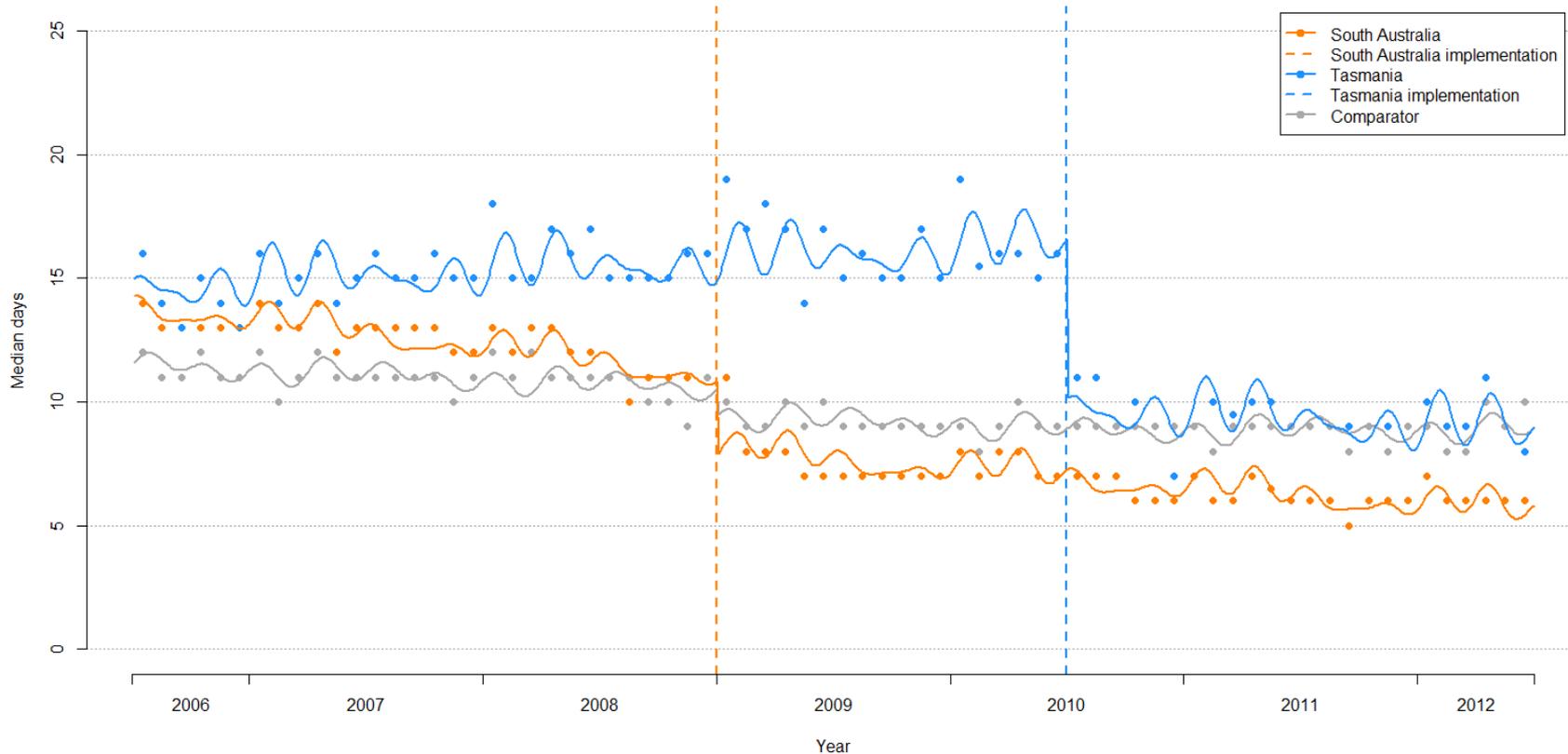


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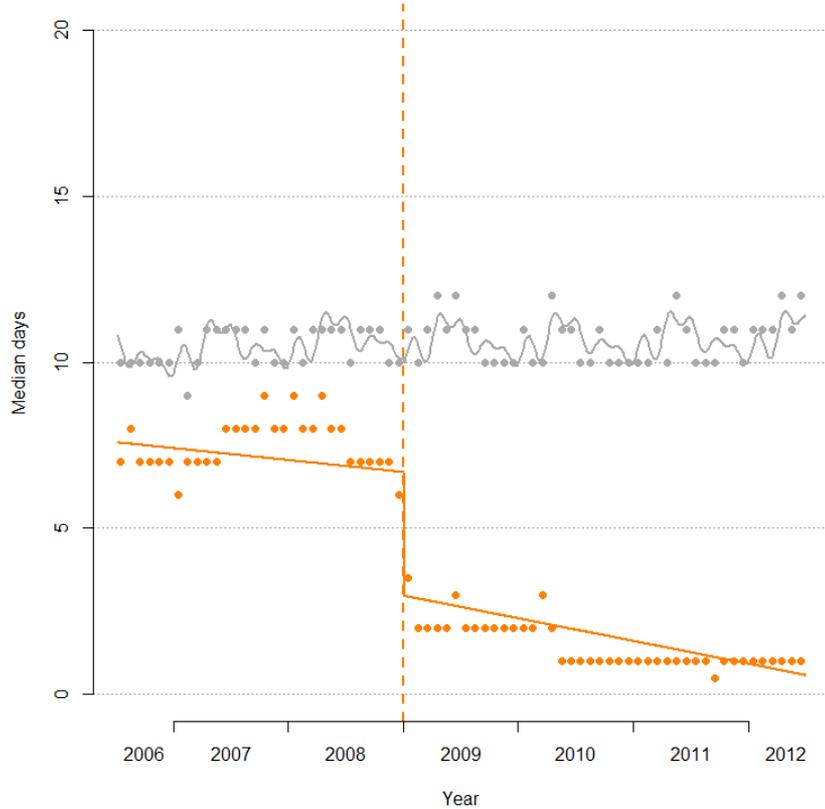
Claim reporting time



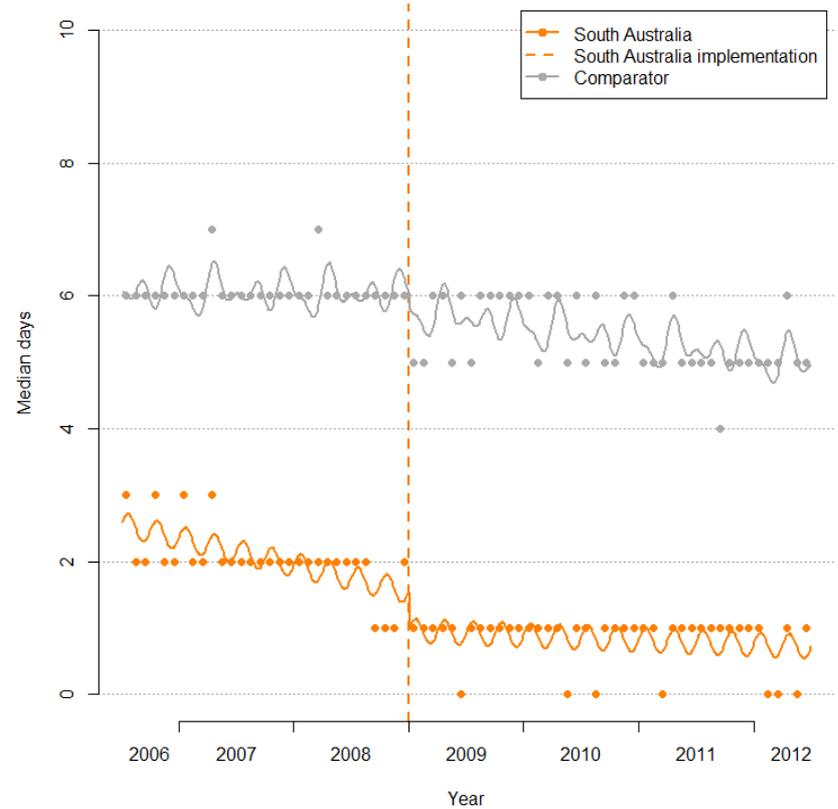




Worker reporting time

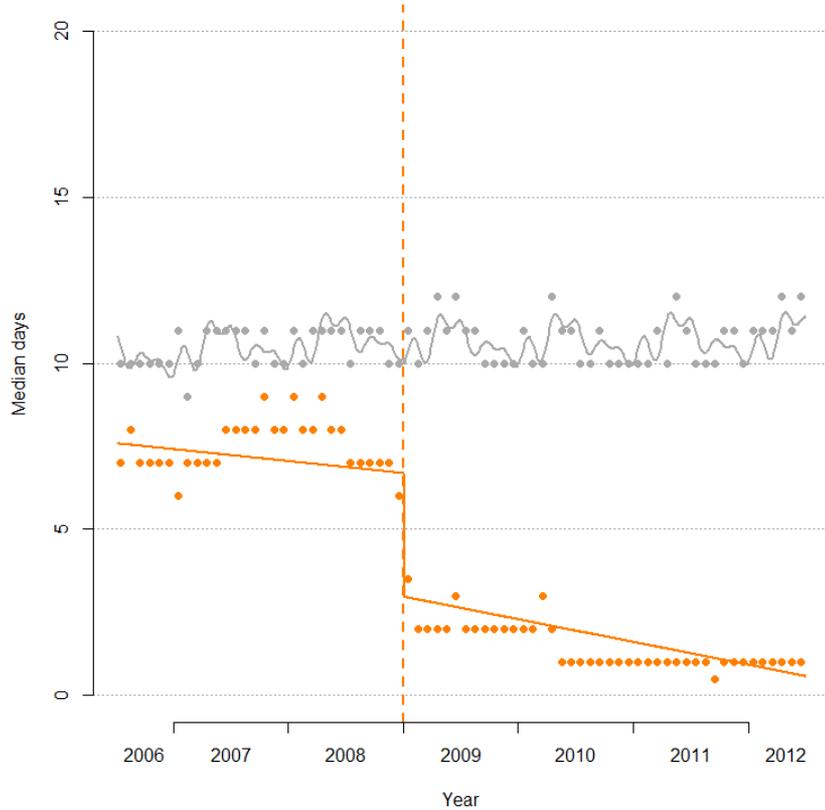


Employer reporting time

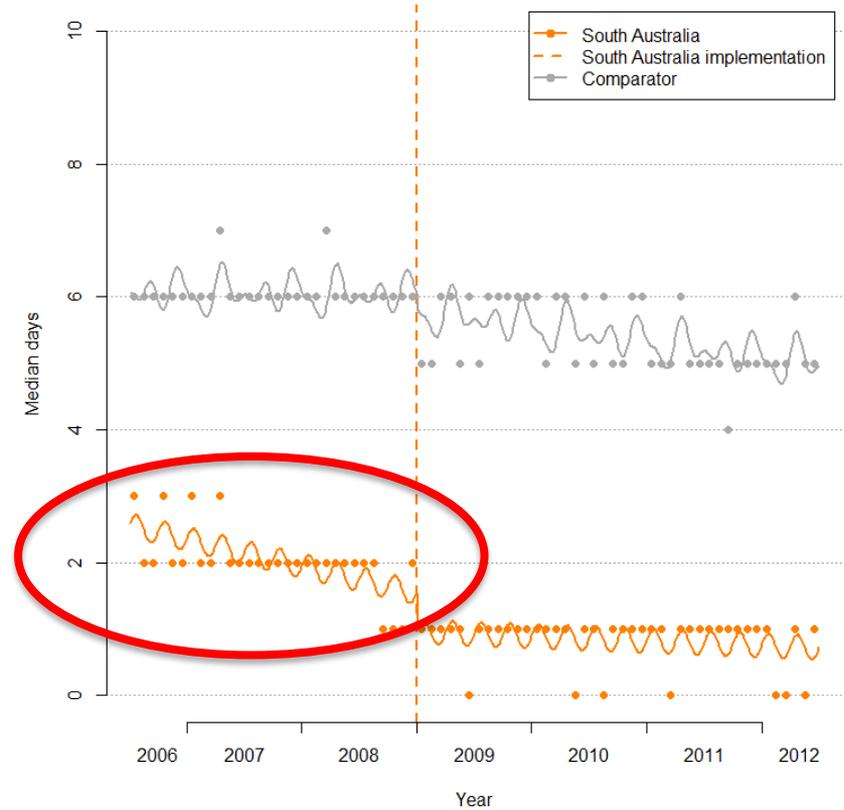




Worker reporting time



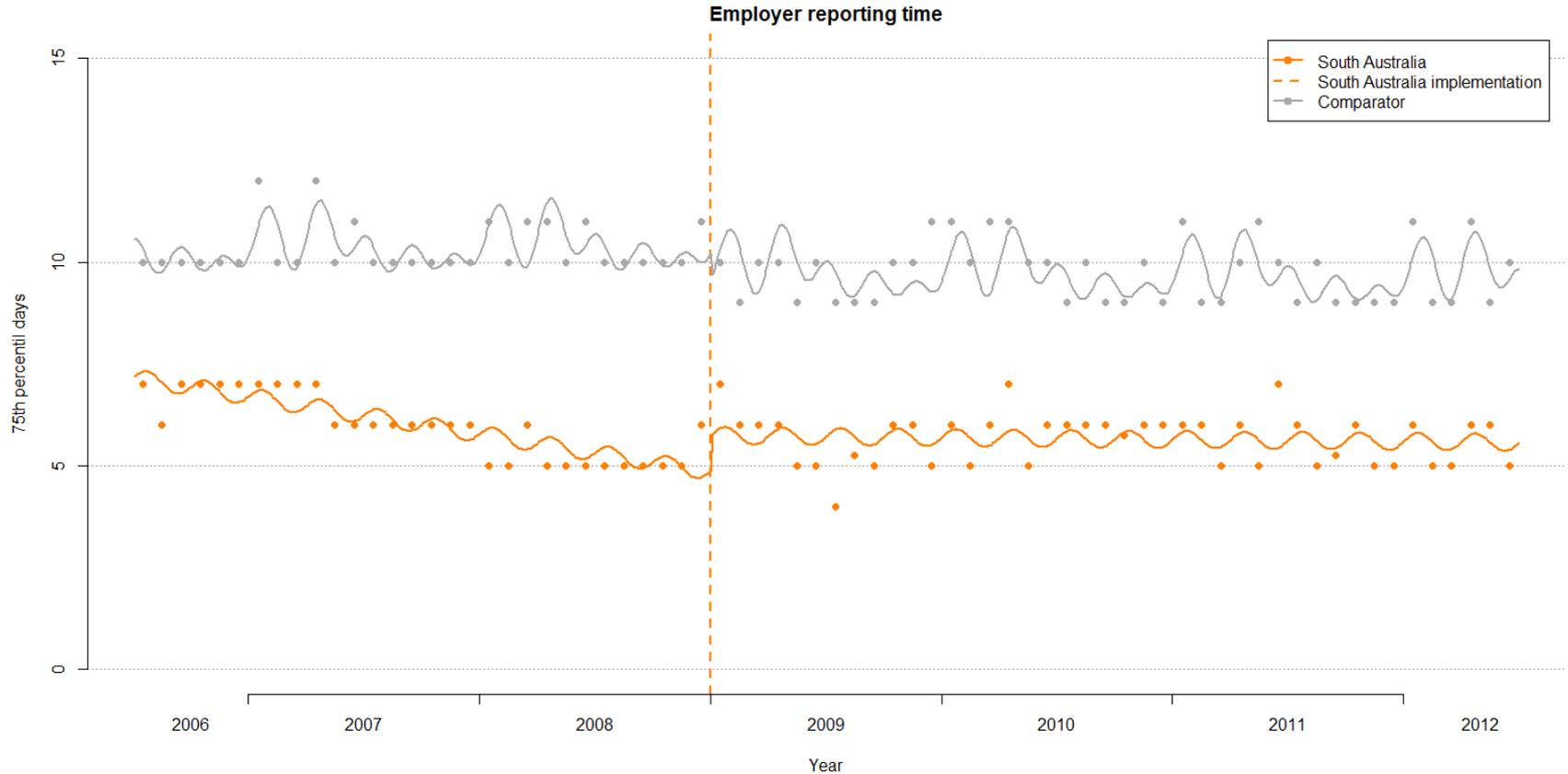
Employer reporting time



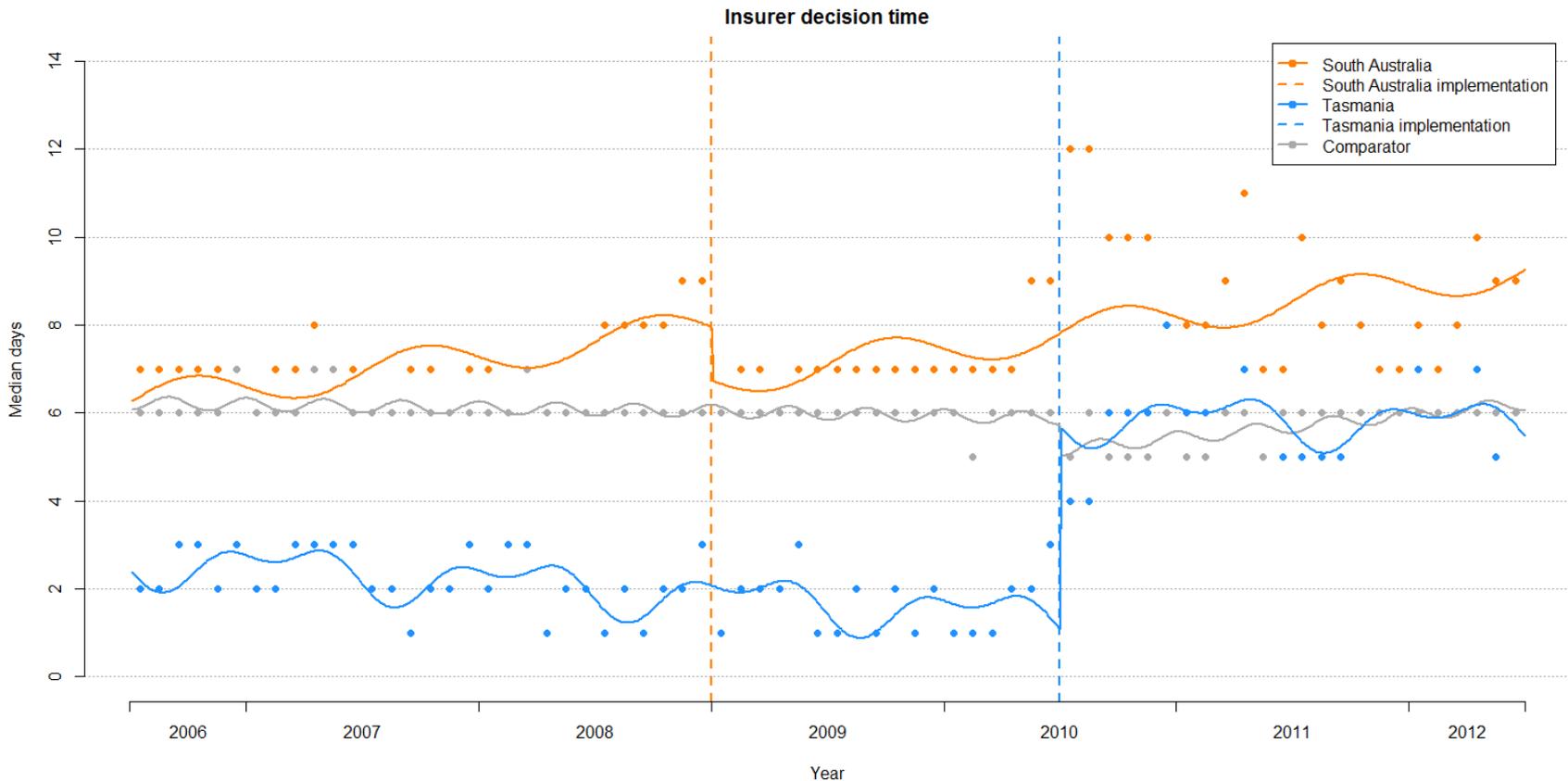


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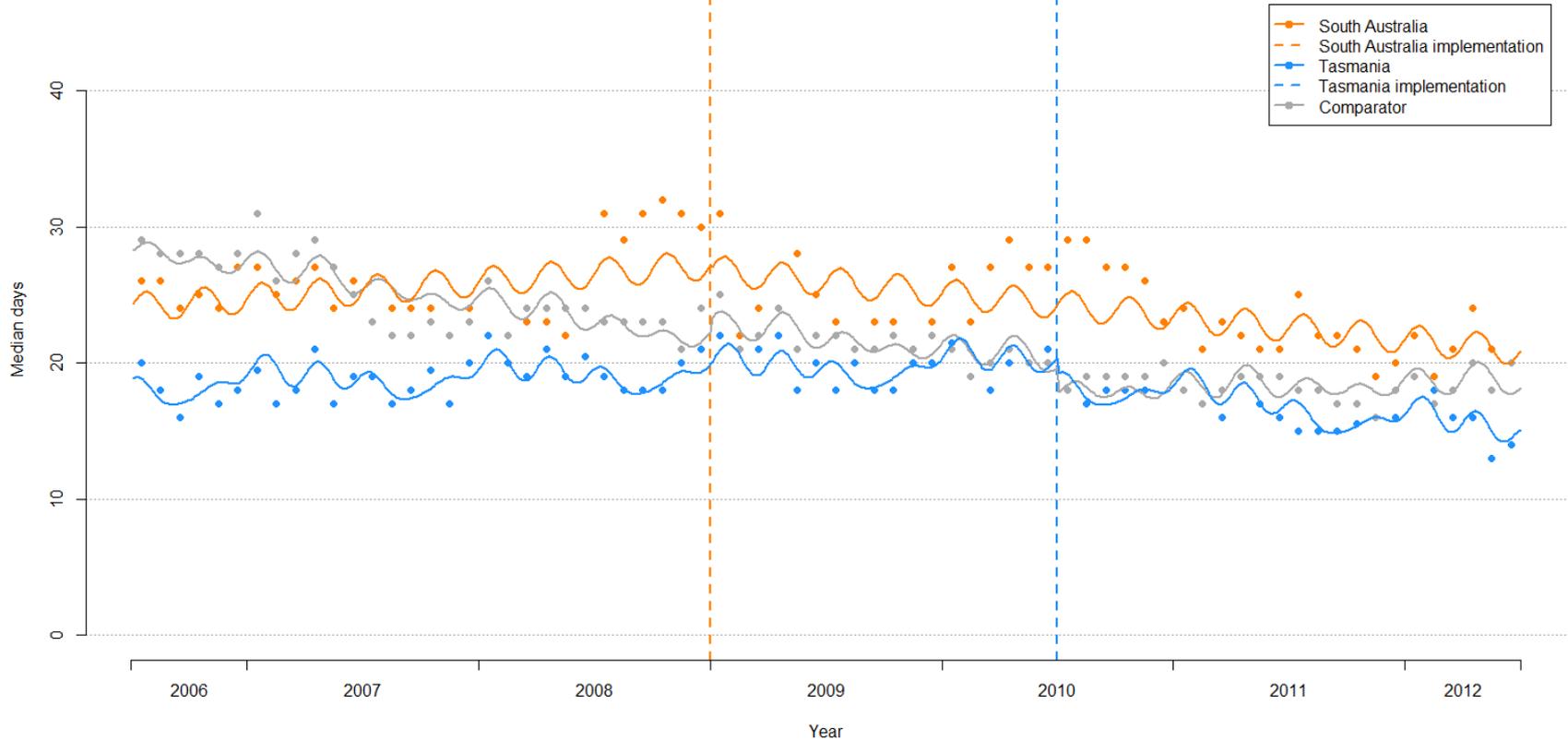


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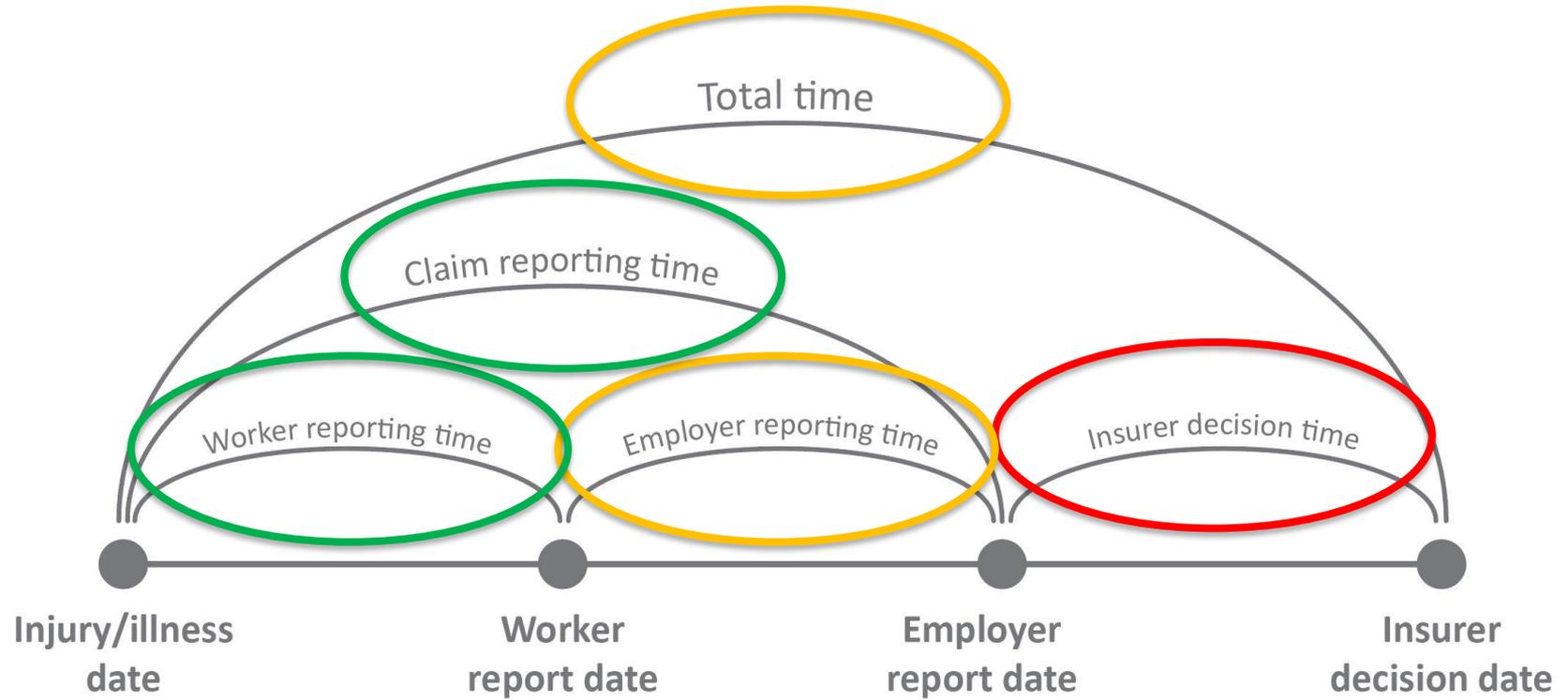


Total time





# SUMMARY, INTERPRETATION, & CONCLUSIONS





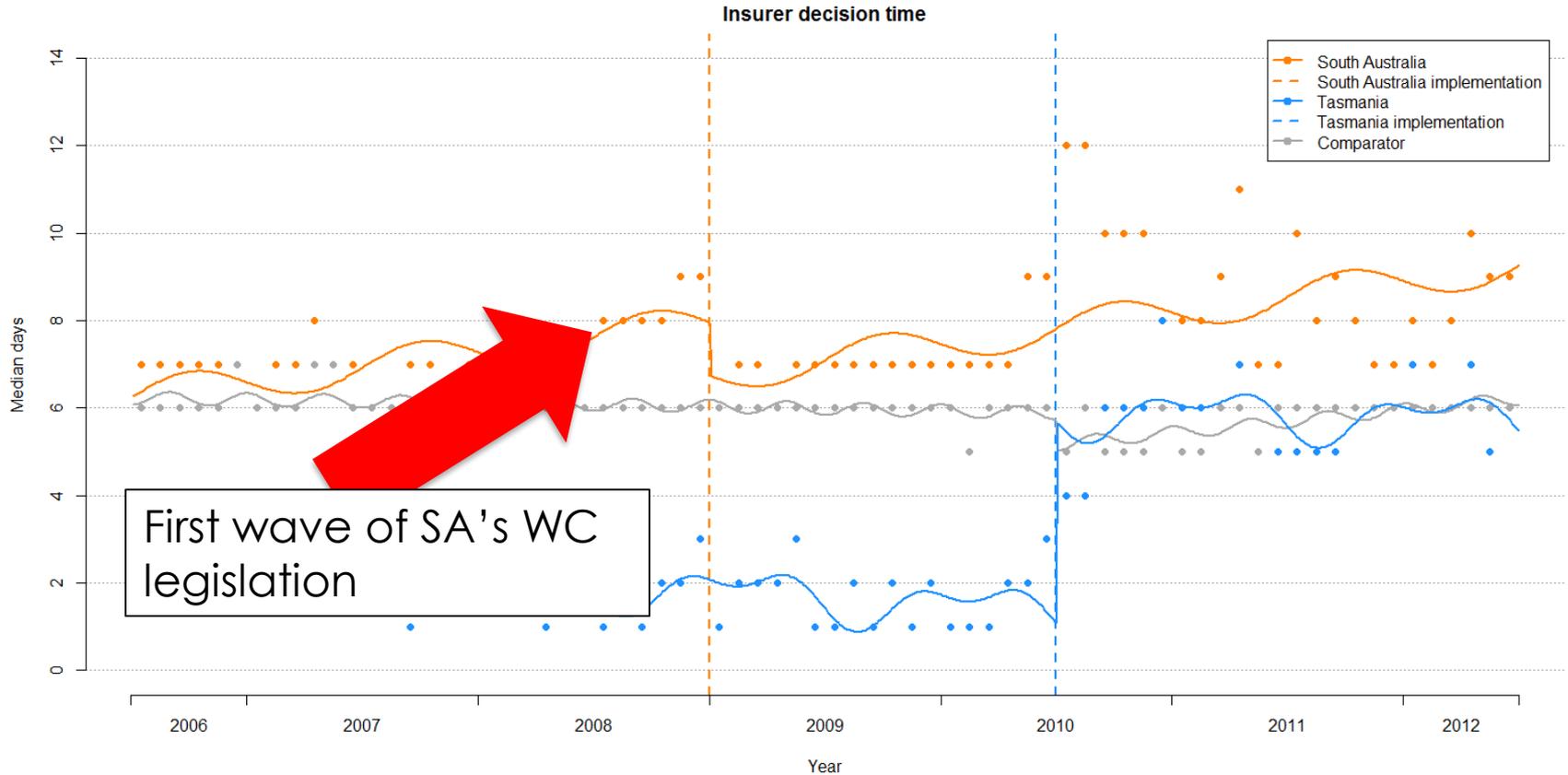
# Discussion

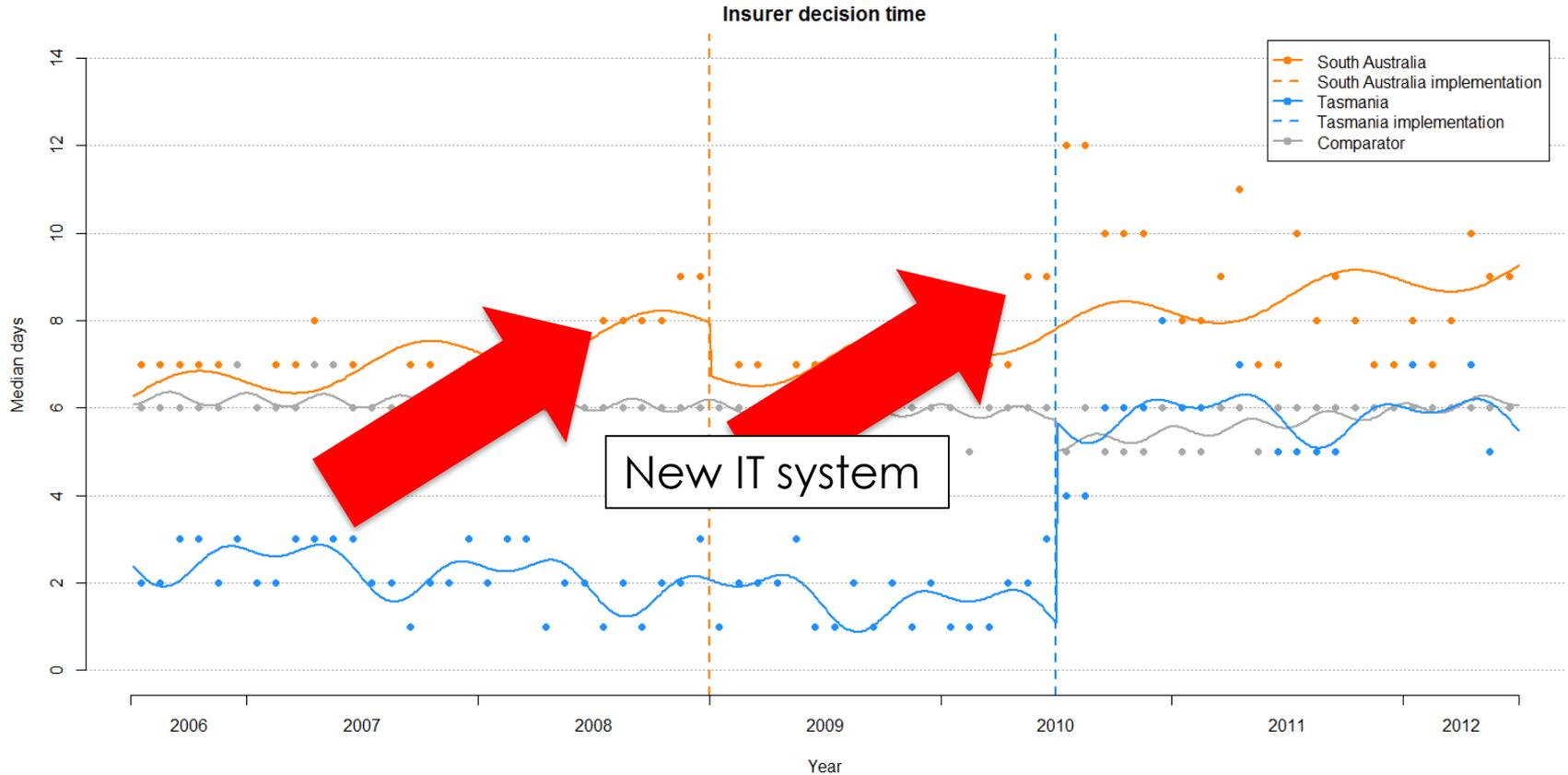
- Reporting incentives reduced claim reporting time
- Why did claim reporting time decrease?
  - Decrease only in worker reporting time (not the target!)
  - Suggests incentives did not have direct effect
- Provisional liability
  - Grants access to WC services before claims accepted
  - In both South Australia & Tasmania
- Increase in insurer decision time may negate benefits
  - Stress associated with delayed decisions predictive of worse long-term mental and physical health (Grant et al 2014)
  - May be due to implementation of larger WC legislation
  - But, WC policy changes rarely made piecemeal
  - Must contend with larger policy context



# Insurer decision time

- Unexpected increases
- Patterns suggest administrative burden
  - Magnitude of effect in Tasmania
    - Smaller insurers
  - Increase began with implementation of large WC legislation







# Conclusions

- Financial reporting incentives seem to reduce time to lodge a claim
  - Causal mechanism unclear
- Must consider unintended consequences
  - Increasing insurer decision time can have negative consequences
- Generalisability of findings limited
  - Provisional liability a unique safeguard



# Thank you

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