

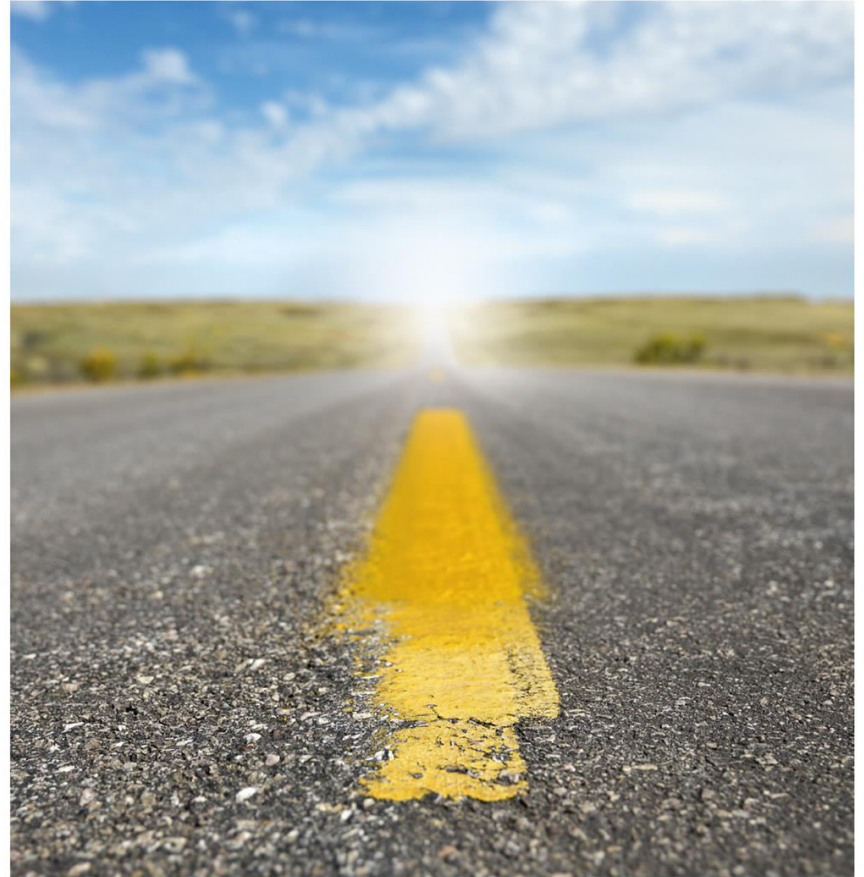
Injury Schemes Seminar

Road to Recovery



**Actuaries
Institute**

8-10 November 2015 • Hilton • Adelaide





Queensland workers' compensation

scheme update

© Janine Reid, WorkCover Qld

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

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Agenda

- Recap on 2013 amendments and their impact
- 2015 amendments
- Premium changes

2015 Amendments

What has changed?

- Removal of >5% DPI common law threshold for injuries from 31 January 2015
- Additional compensation for some workers impacted by the common law threshold (Statutory Adjustment Scheme)
- Reversing allowance for prospective employers to obtain compensation claims histories
- Presumptive legislation for firefighters

s193A Statutory Adjustment Scheme

Applies to a worker who sustains injury after 15 October 2013 and before 31 January 2015, if –

- (a) the worker's injury –
 - (i) results in a **DPI of 5% or less**; and
 - (ii) is not a terminal condition; and
- (b) **the worker has not accepted or rejected an offer of lump sum compensation under s189.**

The worker is entitled to an amount prescribed by regulation and subject to conditions prescribed by regulation: **employer** would have been **liable** to pay damages but for the threshold.

s193A Statutory Adjustment Scheme

Column 1 DPI	Column 2 DPI amount
%	\$
1	6298
2	12,596
3	18,894
4	25,192
5	31,490

Plus legal fees up to \$6,400

Firefighters legislation

- Full time, auxiliary and volunteers covered for prescribed list of cancers, subject to prescribed years of employment
- Entitled to statutory benefits and damages
- No requirement for exposure to specified number of fire events

Column 1	Column 2
Disease	Minimum number of years
primary site brain cancer	5 years
primary site bladder cancer	15 years
primary site kidney cancer	15 years
primary non-Hodgkins lymphoma	15 years
primary leukaemia	5 years
primary site breast cancer	10 years
primary site testicular cancer	10 years
multiple myeloma	15 years
primary site prostate cancer	15 years
primary site ureter cancer	15 years
primary site colorectal cancer	15 years
primary site oesophageal cancer	25 years

Simplified Premium Model – Policy Rating

Employers who pay \$1.5 million or less in wages now have their premium calculated using our simplified premium model. A new business taking out a policy for the first time will have no claims experience, so is automatically assigned a policy rating of 3, which is 100% of the industry rate.

Under this model, an employer's premium is calculated by multiplying their wages by their industry rate (as listed in the Queensland Government Gazette). An employer's policy rating determines the percentage of the industry rate they pay in this calculation:

Policy Rating	Industry Rate (IR) %
Rating 1	80% of IR
Rating 2	90% of IR
Rating 3	100% of IR
Rating 4	110% of IR
Rating 5	120% of IR

EBR Formula Review – Feedback

Survey Results:

- 75% agree journey and recess claims should be excluded
- 70% agree a claims cap should apply so that the impact on an individual employer is limited
- 70% believe individual experience is important
- 60% want shorter claims experience to apply

A few employers commented on flexibility through Multi-WICs and incentives

Changes:

- Reduced claims experience years from 5 to 4 years
- Limited premium rate movement to 30%
- Introduced our new Prevention and Performance Initiative
- WorkCover Connect – improved online services

WorkCover Connect

WorkCover Connect lets employers manage their claims and policy online

- renew and manage the policy, see the premium breakdown, and how it's calculated
- track how they perform compared to others in the industry
- monitor claims in real-time, with injury details, communication notes, costs to date, and more
- analyse and report with 17 different graphs and metrics, plus data downloads with 5 years of claims history

For more information:

<https://www.youtube.com/watch?v=Ue3Ox4VTjrU&feature=youtu.be>

<https://ols.workcoverqld.com.au/ols/loginEmployeeOnline.wc>



The screenshot shows the WorkCover Queensland website interface. At the top, it says 'WorkCover QUEENSLAND' and 'Welcome Ly Last Login: 06 May 2015 11:26'. The main navigation menu includes Home, Safety, Claims, Insurance, Cover check, and Services. The dashboard is divided into several sections:

- Declare your wages:** A form to enter 'Actual wages last financial year' and 'Estimated wages for current financial year'. It also shows 'Your next payment will be deducted on 05 Oct 2015' and a 'Submit wages now' button.
- Total claims cost:** A bar chart showing 'WIC details here' for the years 10/11, 11/12, 12/13, 13/14, and 14/15. The chart compares 'Common law' (green) and 'Statutory' (purple) costs.
- Injury hotspots:** A human silhouette with icons for 'Back', 'Hands and fingers', and 'Psychiatric / Psychological'.
- Policy rating and Industry rate:** Shows a policy rating of 5 and an industry rate of 120%. Text indicates 'Your claim costs are higher than average for your industry' and 'You pay 120% of the industry rate due to your policy rating'.
- Feedback:** A message: 'We've listened to your feedback and improved how we calculate your premium. Read more about how you benefit on our dedicated premium site.'
- Send a document:** A list of actions: 'Medical certificate', 'Receipt for reimbursement (claim an expense)', and 'Request a copy of your claim'.
- Make a claim or report an incident:** Three icons for 'Claim', 'Incident', and 'Incident claim'.
- Compare your claims and safety data with the industry:** A call to action: 'Upgrade today or login with your username and password for additional features.'