

# Injury Schemes Seminar

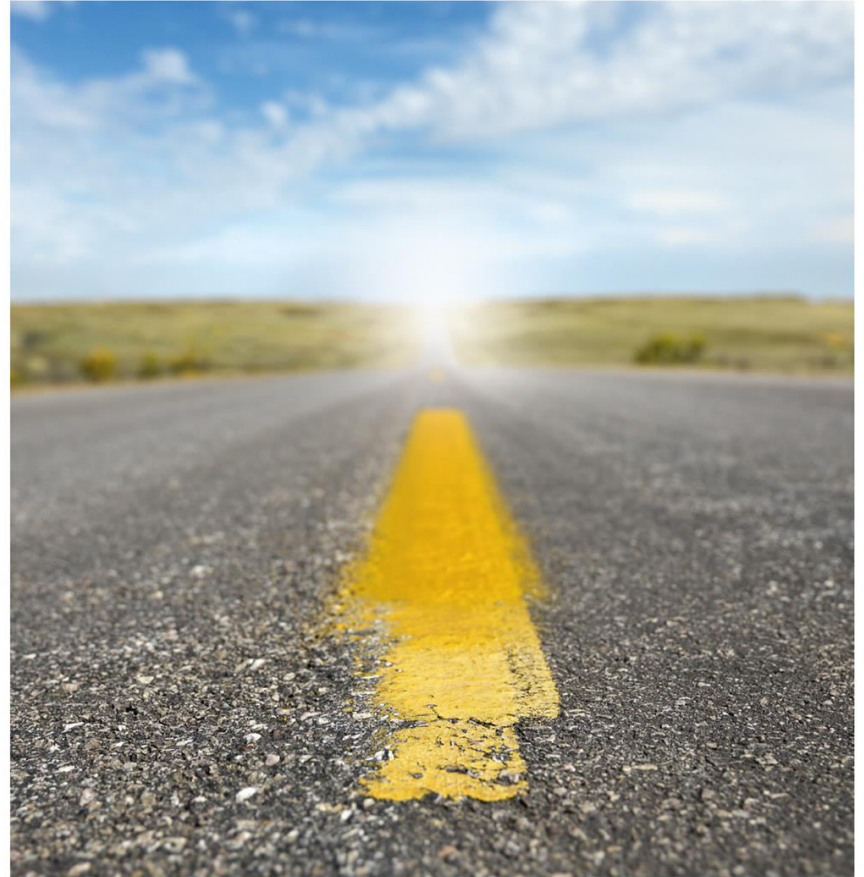
**Road to Recovery**



**Actuaries  
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# Ten principles for a health focussed approach to injury compensation

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

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# Does the insurance model get the balance right?



# “Short-termism”

- The pressure to maintain financial sustainability over the short term occurs to the potential detriment of longer-term objectives.
- “...curtails ambition, inhibits long-term thinking and provides a disincentive to invest in research, products, training, recruitment and skills”...and...” results in cost-cutting when financial results fail to meet expectations”.

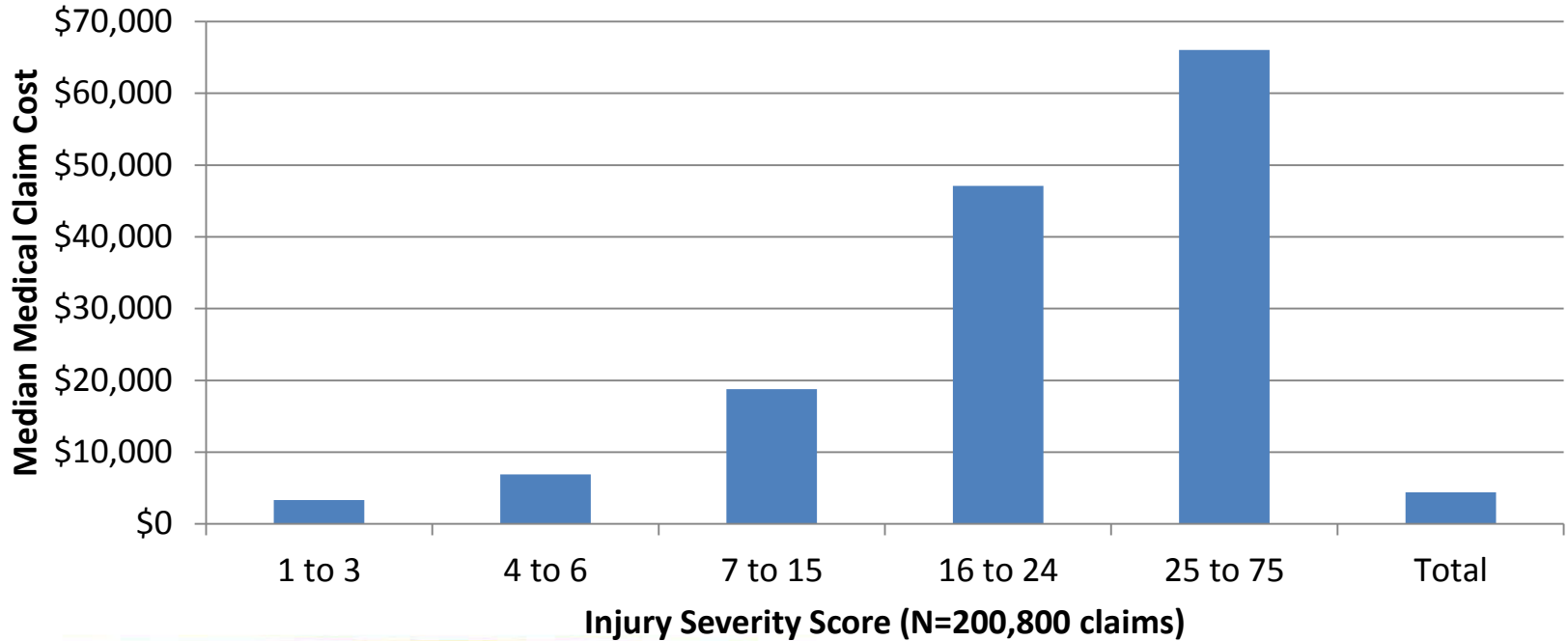
Sir George Cox, 2013

# Questions

**What would a public health model of injury compensation look like?**

**What would we do differently?**

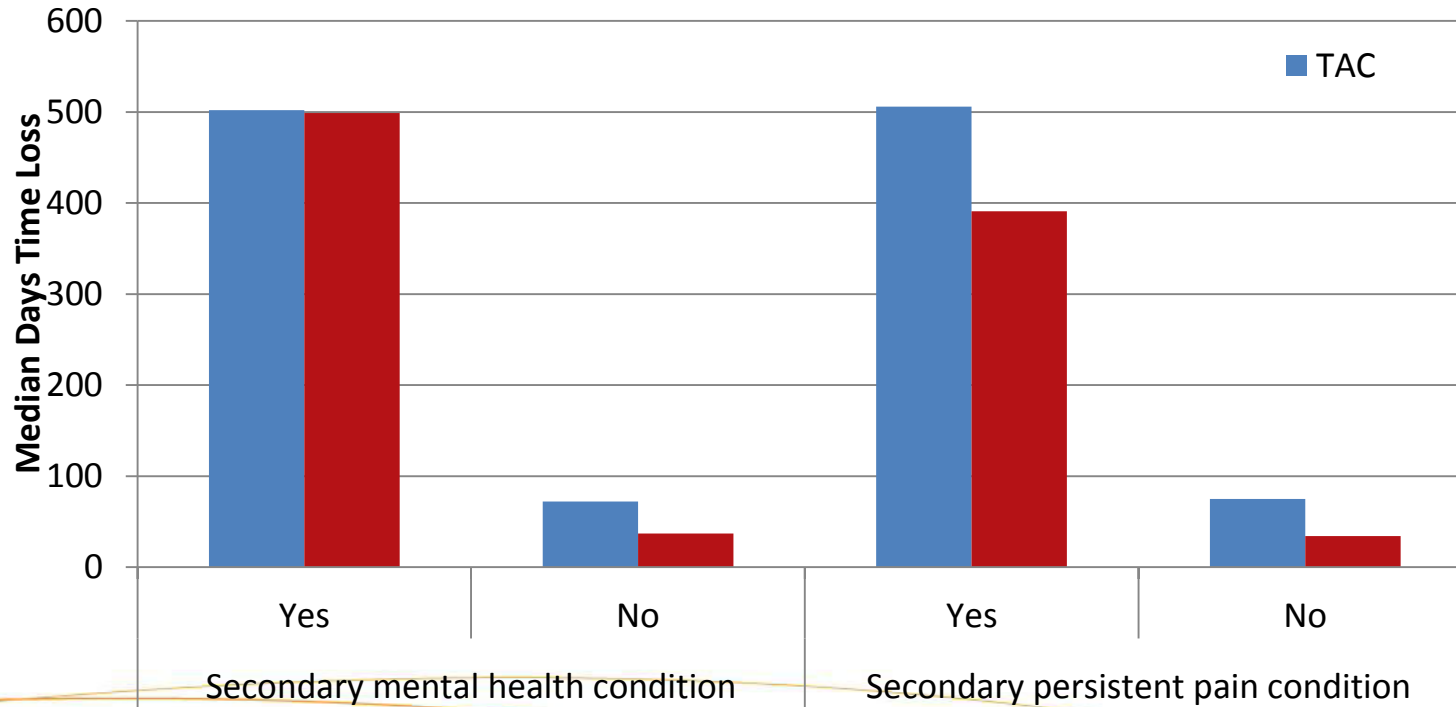
# Association between injury severity and claim cost



# 1. Improving health should be the primary objective

- Changes in cost do not necessarily lead to changes in health, but...
- Changes in health do lead to changes in cost.
- Thus:
  - Injury schemes should explicitly adopt health focused objectives as their primary goal.
  - Financial objectives should be recognized as important but secondary goals.
  - It should be explicit that the main avenue for achieving financial objectives is by focusing on improving health and reducing the burden of disability in a scheme.

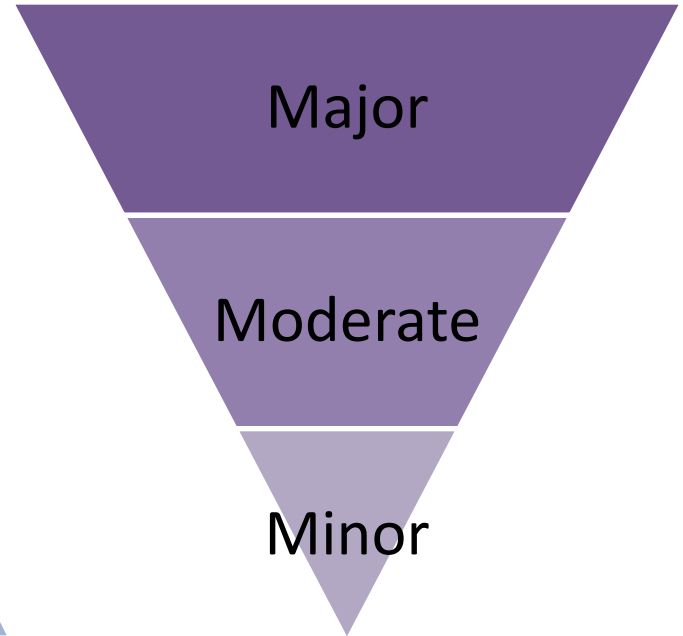
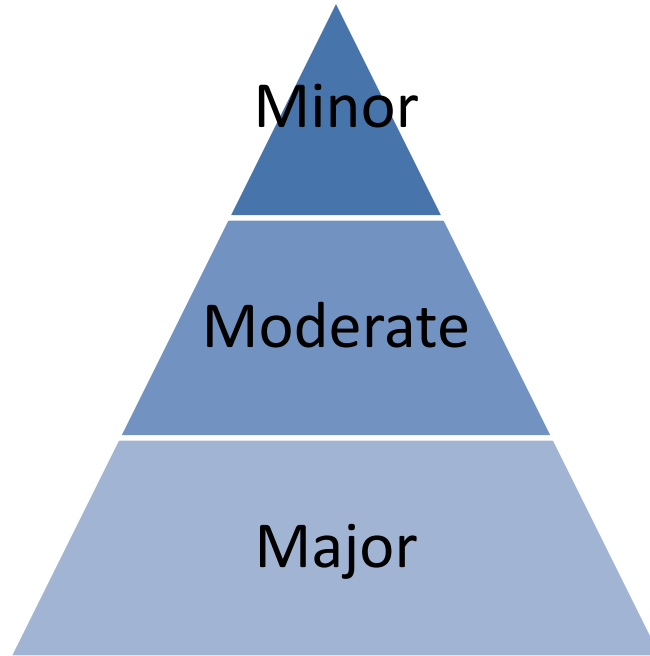
# Association between secondary conditions and scheme relevant outcomes





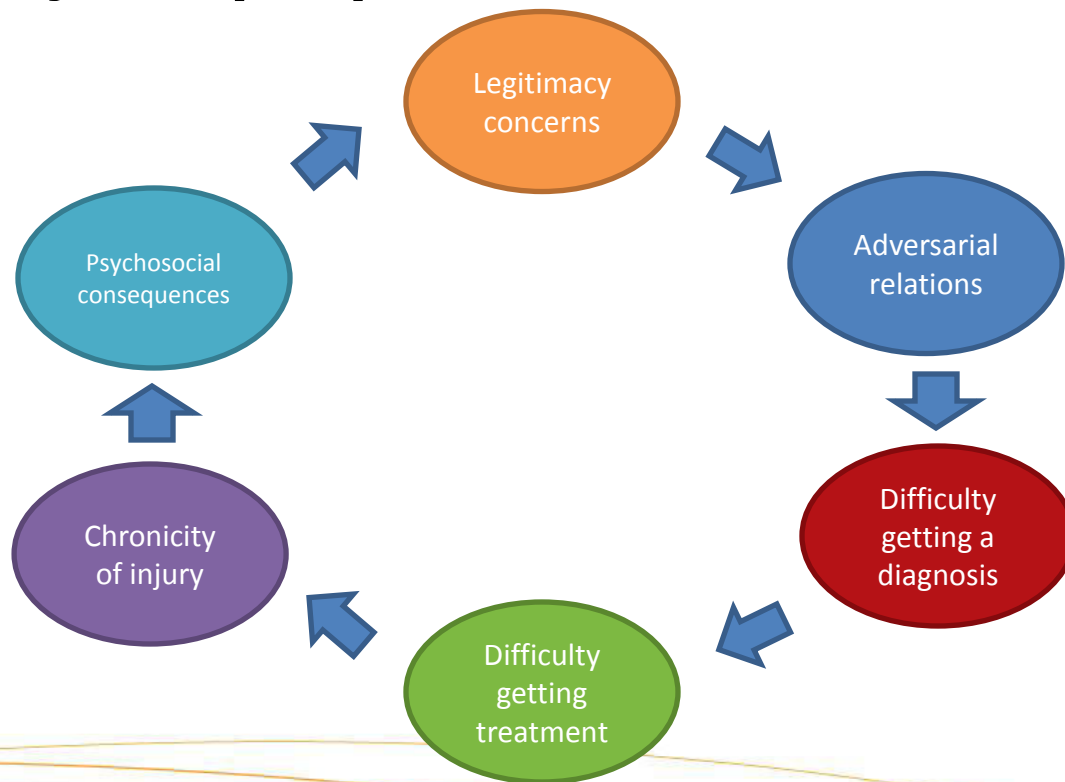
# 2. Prevention, Prevention, Prevention

Tertiary Prevention
Maximise function
Secondary Prevention
Limit impact of injury
Primary Prevention
Stop injury occurring



Health Promotion – Modify risk factors

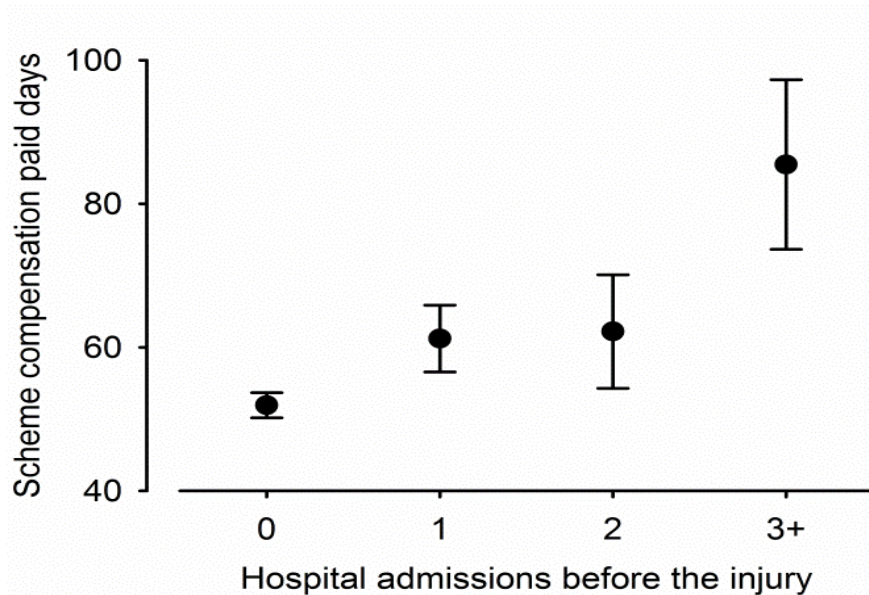
# 'Downward spiral' of harmful interactions affects some injured people



# 3. Do No Harm

- Compensation is associated with slower recovery in some injured people.
- Concept of “system generated disability”
  - scheme policies, processes and practices exacerbate poor health or lead to the onset of poor health, particularly mental health.
- A public health approach would actively identify and remove harmful practices or minimise their impact.

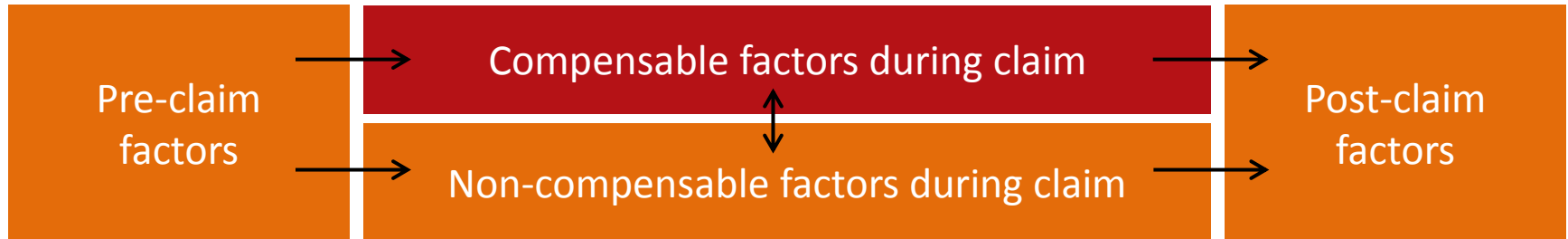
# Association between pre-injury health and scheme relevant outcomes



Injured Victorian workers admitted to hospital in the 8 year period pre-injury have more compensated days off work, and there is a dose-response effect.

# 4. Treat the whole person. Not just the compensable parts.

- Many factors influence injury recovery.
- Only some are compensable.



# Some unintended consequences of reductionism / linear thinking

Compensable cases on average have poorer recovery and return to work than matched non-compensable cases (Harris I et al. JAMA 2005; 293(13):1644-52)

Processes designed to ration healthcare resources (e.g., medical assessments) contribute to negative health impacts, increasing the requirement for healthcare (Lippel K. Int J Law Psychiatr 2007;30(4-5):427-43)

Experience rating premiums can lead to claims suppression, excluding some injured workers from system benefits (Tomba E, et al. Pol Prac HealthSafety. 2012;10(1):117-37)

Practices designed to enable GP to be healthcare 'gatekeeper' (e.g., sickness certification) are sufficiently cumbersome for some GPs to opt out of system participation (Brijnath B, et al. Submitted for publication).

# 5. Take a systems approach



- Combinatorial complexity
- Dynamic complexity
  
- Some implications of complexity:
  - Schemes cannot be ‘managed’ by a single authority -> work in partnership.
  - Schemes are in a constant state of disequilibrium -> so don’t over-react
  - Reductionist approaches will have unintended consequences.
  - Outcomes of initiatives must be measured over the long term.

# Perceived fairness of two MVA compensation schemes.

- Motorists with mild to moderate injury at 12 months post injury.
- Perceived fairness was a significant predictor of post-injury health.

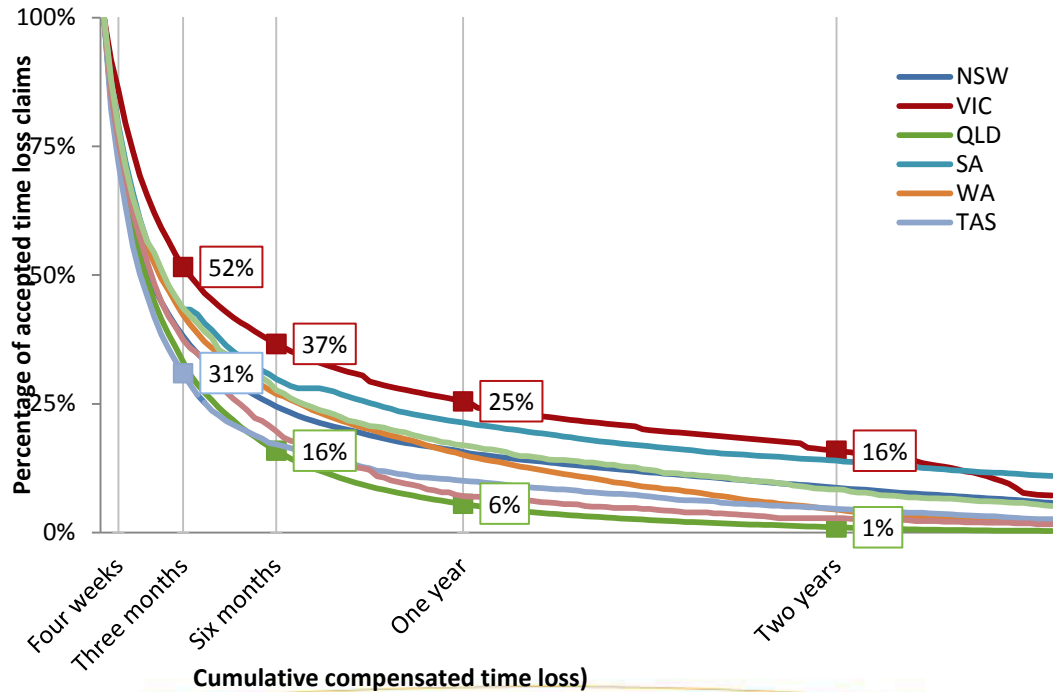
Question	NSW (N=98)	VIC (N=84)	Chi Square	P value
It is easy to fill out forms	46%	78%	17.7	<0.001
It is easy to support claim	52%	85%	23.0	<0.001
Claim duration is acceptable	46%	83%	27.1	<0.001
Compensation received so far is fair	46%	74%	15.0	<0.001
Overall claim process is fair	45%	84%	30.0	<0.001
Pre-injury health (good - excellent)	92%	98%	3.0	0.06
Post-injury health (good - excellent)	47%	67%	7.1	<0.01



# 6. Ensure fairness and equity in procedures

- Injury schemes are process / procedure driven.
- There is a relationship between perceived injustice and adverse recovery outcomes (Sullivan et al, 2014)
- Scheme design affects perception of justice/fairness (Elbers et al, in preparation)
- Public health approach would identify and minimise procedures perceived as being unfair/unjust.

# Data, data everywhere.....but a narrow view?



# 7. Enhance use and breadth of data

- Schemes are data rich, but do we make the most of it?
- Given the right conditions, claims data can:
  - Be linked to other datasets
  - Enable comparison with other datasets
  - Enable mining / forecasting studies
- There is minimal data in our schemes from an ‘outside-in’ perspective (injured people, healthcare, employers etc..)

# Qualitative studies describe some of the challenges facing front-line staff.

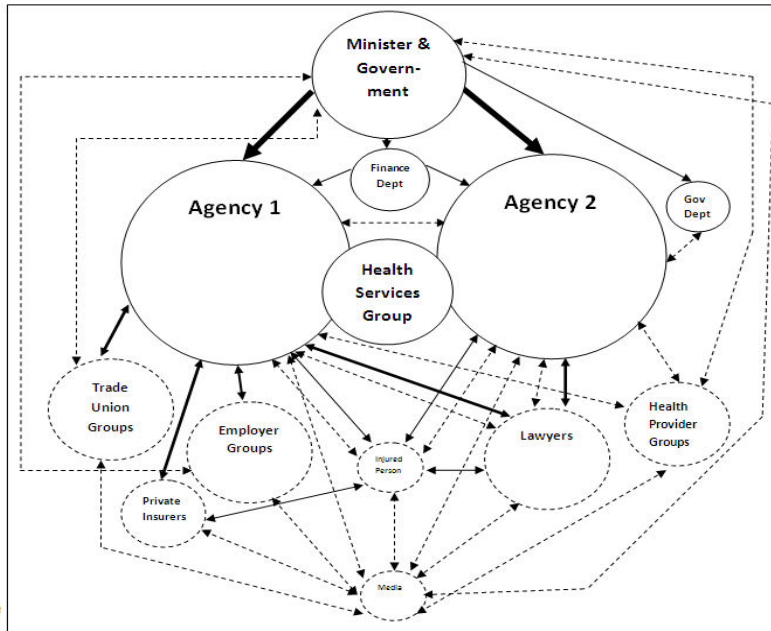
- “Much of what the front line staff think, say and do reflects their positioning at the intersection of .... competing expectations.” (Eakin J et al, 2009. Institute for Work & Health).
- Factors emerging from interviews with 21 Australian case managers (Newnam S, et al, 2015. ISCR)
  - Extra-role expectations
  - Emotional control
  - Stress
  - Conflict induced emotions

# 8. Invest in frontline workforce

- Case management is a critical role.
- Changes in case handling can positively impact on scheme outcomes (Schaafsma et al, BMC Public Health 2012; 12: 36).
- Do we train case managers in health promotion / recovery or in cost/liability management?

# Who influences scheme decision making?

## “Field” of influence

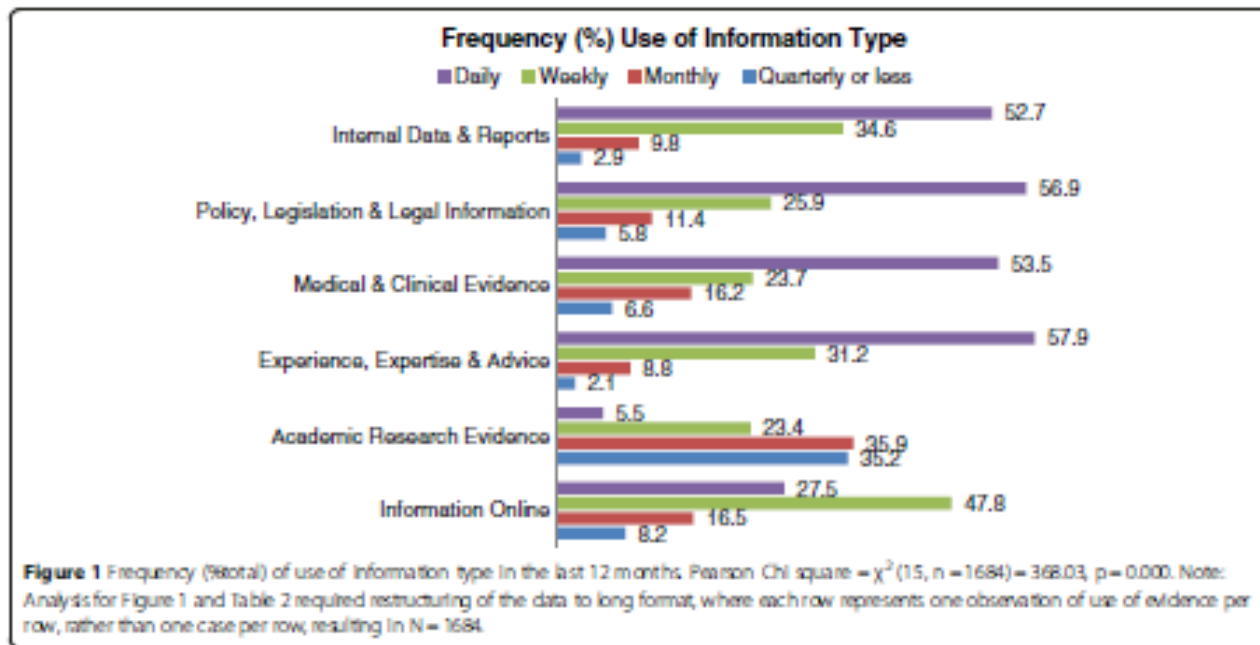


- Small N scheme participants have a strong voice.
- Many scheme participants have a weak voice.

# 9. Engage the affected community

- Many community participants in injury schemes.
- Active participation of end-users in program design has numerous benefits (Ahmed & Palermo, Am J Public Health, 2010).
  - service delivery that meets community needs
  - enhance community ability to identify own needs
  - enhance government understanding of community needs

# Use of information by staff of two Australian injury schemes





# 10. Grow and use the evidence base

- The volume and quality of evidence in the field is growing.
- It is not being used by staff of injury schemes.
- Challenge = translating evidence to inform policy and practice.

# 10 ideas for a public health approach to injury compensation

1. Improving health should be the primary objective.
2. Prevention, Prevention, Prevention.
3. Do No Harm.
4. Treat the whole person. Not just the compensable parts.
5. Take a systems approach.
6. Ensure fairness and equity in procedures.
7. Enhance use and breadth of data.
8. Invest in the frontline workforce.
9. Engage the affected community.
10. Grow and use the evidence base.

# Take-home message



We can manage scheme finances by focusing on cost-containment.

OR

We can manage scheme finances by focusing on improving health.

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# THANK - YOU

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