

AMA INSURERS FORUM (AIF)

JOINT SUBMISSION TO LEGISLATIVE REVIEW – TASMANIAN WORKERS REHABILITATION & COMPENSATION ACT

AMA – Tasmania
Tasmanian Workers Compensation Insurers
Self-Insurer Association of Tasmania

Background

In September 2014 AMA Tasmania initiated a joint forum to facilitate dialogue with the Tasmanian Workers Compensation Insurers (TASWC) and the Self Insurance Association Tasmanian (SIAT).

AIF's focus is on mutual opportunities to enhance the health outcomes in the Tasmania workers compensation system, through optimum medical, rehabilitation and claims management of injured workers. Our particular focus has been on the early identification and effective management of "complex" injuries and of long-term incapacity in workers.

This submission is the outcome of the dialogue at the AIF and is aimed at seeking Ministerial support to drive such changes.

Preamble

AIF's key initiative is the need to achieve better health outcomes for workers in the Tasmanian Workers Compensation system through mechanisms such as balanced decision-making models incorporating medical and injury management input at a case and strategic level. This can be achieved by:

- * initiating alternative injury management pathways,
- * early identification of complex/long term injury cases, and
- * establishing mechanisms to monitor the quality of medical input

AIF also identified that communication between doctors and the insurance industry will need to be further enhanced to ensure more collaborative working relationships are established to achieve our key initiatives.

Enhancements in the way injuries are managed in accordance with these principles has potential to expedite recovery time, lower the risk of secondary conditions and improve return to work outcomes. These measures will ultimately reduce the direct and indirect cost of work related injuries, including employer premiums. The community as a whole will also benefit from a reduction in the impact of chronic ill health and disability.

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AIF agree that 'simple' injuries that account for up to 90% of all work related injuries are well catered for in the current system. The focus of attention of the AIF has been to consider measures to enhance the management of the more serious or 'complex' cases that the statistics indicate account for the majority of financial and human costs.

The challenge is to identify these cases as early as possible after injury/ disease onset so that medical and rehabilitation resources can be used more effectively to improve outcomes.

Identified Immediate Red Tape Priorities

The following areas have been identified by AIF as having potential benefit to the scheme through the quick reduction of red tape processes.

- Medical practitioner accreditation to issue certificates should be abolished - This adds no benefit to the scheme and concerns include:
 - doctors are reluctant to be involved in the treatment of workers compensation cases because of the complexity and additional paperwork required; and
 - in some circumstances this contributes to the withdrawal of doctors from treating injured workers.
- Review the Workers Compensation (WC) Medical Certificate – to focus the certificate on capacity (as opposed to incapacity) and include details such as prognosis and future Return to Work (RTW) prospects, to provide for early identification of potential complex/long term claims, a narrative box that allows doctors to include issues that may impact RTW and ongoing treatment. In addition, consider strategies to improve the format and content of the current certificate including the design and implementation of an electronic certificate.
- Establish accreditation for all Independent Medical Examiner (IME) assessors - To develop a quality control system that ensures practitioners understand Tasmanian Workers Compensation legislation and supporting guidelines and tools. The Victorian scheme accreditation is provided as a possible example.
- Remove process driven "Act" timeframes – The RTW Plan requirement is one such example - it is not outcome/ quality driven i.e.: Must have a RTW Plan in place within 5 days of the 5th day of incapacity. This is administratively onerous and unnecessary in most cases. Extension to a 28-day period would aid communication between insurers and medical practitioners ensuring more measured decisions are made on RTW instead of the current "rush through" process.
- Medical and Other Costs S75 (1) (a) –The "Act" test of what is a "Reasonable" expense is subjective and difficult for medical practitioners

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and insurers alike. It is recommended that consideration of the use of the current AMA List of Medical Services & Fees as the driver of identifying the reasonable costs for treatment of workers compensation injuries, where there are suitable item numbers, while recognising that doctors should set their own fees in accordance with Australian Competition and Consumer Commission (ACCC) principles.

- Review of Spinal whole person impairment (WPI) ratings – It is proposed that there is a review of the 20-25% WPI rating attainable on single level fusion or disc replacement and consideration of a process to address the current retrospective component for injuries that occurred prior to 1/4/2011 which impacts the cost of the scheme.

In addition to the immediate “red tape” reduction recommendations above, AIF also forward for consideration medium to long-term enhancements proposed in order to attain further scheme improvement.

A – Explore the potential benefits of a ‘Complex Case Management Model’

AIF have had extensive discussions on the potential benefits of a system whereby the doctor involved in the “early” stages of management of a work injury is empowered to consider prognostic factors and identify “complex” cases. The AMA has recommended that cases flagged as “complex” could be streamed into an alternative management pathway managed by a medical practitioner with enhanced skilled in “complex case management”. For the best desired outcomes in this area early notification is critical. (See outcomes of red tape reduction on certificates)

Many complex cases claims are managed appropriately, however, AIF agree that a primary cause for concern is that most “complex” claims are not identified early enough. This inherently creates injury management concerns between the treating medical practitioner(s) and insurers.

Insurers have suggested that the AMA recommend a model on how they believe that model may work. AIF can then consider if new legislation can be developed to help further drive improvements in complex/long term claims management.

B - Enhance the input of doctors into the overall management of the WC System at both a Strategic and Case Level

AMA Tasmania has expressed the view to AIF that there are concerns that the medical profession has not had adequate opportunity for high-level input into the design of the Workers Compensation System. The AMA believes they should have input into medical standards, development of impairment assessment procedures and medical dispute resolution at a system level. This may also be a factor in the withdrawal of some doctors from workers compensation system.

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Senior medical clinicians recognise that it is their duty to drive and/or oversee involvement in medical standards.

Insurers have identified that there is a need for greater medical engagement and that providing mechanisms for high-level input by the medical profession is one means of achieving that objective.

The AIF therefore puts forward the following proposals:

- 1) Options for the appointment of a Medical Standards Committee (MSC) are considered. An MSC would comprise a small strategic group of senior Tasmanian clinicians, chaired by a general practitioner. They would develop medical standards and assessment guidelines, oversight standards of medical care and decision-making, consider complaints and have input into disputed medical matters by recommending to the Workers Rehabilitation and Compensation Commissioner the makeup of medical panels and/or alternative means of resolving disputes over medical matters.
- 2) Consider practical measures to facilitate the use of Medical Panels and whether this is a realistic option in Tasmania i.e. case specific panels of experienced independent doctors who can review individual injured workers and provide definitive medical advice. Medical panels should be accessible to both the legal and medical practitioners working within the system

C - Legislative Measures

It is anticipated that legislative change might be required to support the strategies identified above, but there are also some specific issues that require legislative review or changes to associated regulations or guidelines.

Changes to legislation to facilitate early settlement of claims would be of benefit, particularly where treating doctors identify that recovery has plateaued or that health benefits will accrue with exit from the WC system.

D – WorkCover Board

AIF support the need to review the functions of the WorkCover Board with consideration given to the makeup of the Board, voting rights and the inclusion of Subject Matter Experts either on the Board and or as a support mechanism to the Board's decision making process.

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Summary

The AMA-Insurer dialogue process has identified priority areas of action with the objective of improving health outcomes for those injured at work.

Some initiatives can be achieved by discussion and mutual agreement between the medical profession and insurers.

The red tape priorities are seen as areas that can gain immediate impact to the scheme to improve efficiencies in the management of injured workers.

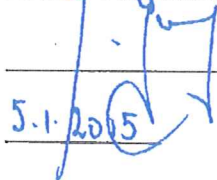
Other priorities need to be further explored and trialled before legislative change can be detailed and implemented. These latter areas include the proposed "Complex Case Management Model".

In addition an overarching priority agreed at our meetings was the need to introduce mechanisms to improve communication and mutual understanding between doctors and insurers. AIF has been the catalyst to identifying the key areas of improvement to ensure a strong relationship can be built between the AMA, insurers and self insurers. Implementation of these recommendations will occur over a period of time.

This submission includes only those issues where AIF believe we have mutual agreement. The AMA and its members, TASWC and/or individual insurers and SIAT and /or individual self insurers may make independent submissions which may also include the issues raised above.

AIF would welcome the opportunity to further discuss the matters raised at a mutually convenient time.

AMA Tasmania

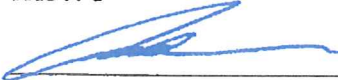


(Dr Tim Greenaway, President)

5.1.2015

Date

TASWC

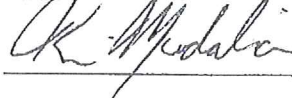


(Mr Greg Mathews, Representative)

5/1/2015

Date

SIAT



(Ms Kiran Mudaliar, Chairperson)

06/01/2015

Date