

Appendix 9

NSW WorkCover Insurer Remuneration Proposed Structure 2001/02

**NSW WorkCover Insurer Remuneration
Proposed Structure 2001/02**

(sa) = self-audited measure
(auto) = automatic calculation
(new auto) = current self-audit, proposed automatic
(manual) = manual WorkCover assessment
(actuarial) = analysis & projections required by WorkCover actuary

Scheme Outcomes	Base fee	Service Capability	MGA Performance → Scheme outcomes	
			Short term	Long term
Premiums fair/correct assessment	Premium	M2(sa)—correct claims estimating	M1(sa)— correct premiums & ANZSICs	
Injury Management timely collection timely effective	Policies	M10/11(sa)—IM plans early contact	M3 (auto)—debt/CWP M10/11(sa)—IM plans quality assurance	Benefit duration (revised M14&M15) (actuarial) <i>convert to continuous rat time table</i>
Claims Management Liability-- timely Quantum-- timely inappropriate minimise liability	Closed claims	M9 (new auto)—S66 M12&13 (new auto)—21&42day M7 (new auto)—prompt payment		Tail management fee (actuarial) NM—Loss ratio (actuarial)
Satisfactory Service Injured workers Employers		M4&5(auto)—data quality NM—dispute market share (auto) NM—complaint market share (auto) NM— stakeholder paid surveys (manual)	NM—Recovery (sa) audit duty status & claims Dispute prevention (expanded M8 sa) — IMCI,AMS	