



**STANDING COMMITTEE ON LAW AND JUSTICE
REVIEW OF THE DUST DISEASES SCHEME
PRE-HEARING QUESTIONS ON NOTICE**

2015 reforms

1. *Please provide a brief update on icare's key actions in relation to the Dust Diseases scheme since the establishment of the Workers' Compensation (Dust Diseases) Authority.*

Answer:

A brief update of significant actions in relation to the Dust Diseases scheme is set out below:

Since the commencement of icare and establishment of the Workers Compensation (Dust Diseases) Authority on 1 September 2015, icare has reduced the time taken to determine claims for compensation by over 50 per cent. For workers, the average time taken to determine a claim from the date the application is received has reduced 54.8 per cent from 136.7 days to 61.77 days as at 31 March 2017. For dependents, the average time taken to determine a claim has reduced 60 per cent from 70.98 days to 28.36 days.

This reduction is attributed to the introduction of a triage process for new applications within 24 to 48 hours of receipt, choice of medical screening service providers and more efficient administrative processes, as well as the introduction of a new timeframe of two working days for determining claims for compensation after certification of a dust disease by the Medical Assessment Panel or provision of all information needed by the Authority to make a determination.

Since 1 September 2015, icare has determined 100 per cent of claims of compensation within two working days of the Medical Assessment Panel issuing a certificate or once all information required to enable the claim to be determined had been received.

From 1 March 2016, Scheme participants have been proactively offered the choice of service provider for their medical screening examination. Scheme participants can choose from:

- a medical examination at the icare Dust Diseases Care medical centre located in the Sydney CBD;
- the icare Lung Screen mobile respiratory unit if visiting their regional area;
- through their regular treating respiratory physician; or
- through a locally based provider recommended by Dust Diseases Care close to where they live.

In addition to providing greater choice over medical examinations, Dust Diseases Care is also trialling a Home Lung Function testing pilot program offered to workers who have been consistently unable to leave their home and travel to medical screening appointments due to their health, age and immobility. To date, 20 per cent of workers tested at home under the pilot have since been medically assessed with an increased level of disability and are now accessing increased benefits.

In November 2016, the former Dust Diseases Board Lung Bus mobile screening unit was rebranded as the icare Lung Screen and commenced offering health monitoring services to small and medium at-risk employers in NSW engaged in industries where workers may be exposed to asbestos, silica and other harmful dusts in the workplace. Prior to icare, the health monitoring services of the Lung Bus were only available to large employers in NSW.

Other actions undertaken by Dust Diseases Care since its inception include:

- Conducting a review of current administrative processes for determining requests for services from Scheme participants and implemented a paperless solution to improve workflow and the timeliness of processing service delivery requests.
- Launching a Net Promoter Score (NPS) survey of workers, dependants, service providers and health monitoring clients providing real time information on customer satisfaction and experience with icare and the Dust Diseases Scheme to help inform improvement opportunities in respect of the scheme and service delivery. Further information about NPS is provided in the response to question 20.
- Implementing a pre-approved healthcare services package which provides faster access to a suite of nursing, related healthcare and domestic assistance services, mobility aids and equipment for totally disabled workers.
- Commencing a human-centred design process to redesign the way we work from the customer's perspective. This approach is now integrated into icare's transformation program and has commenced engagement directly with a number of Dust Diseases Care workers, dependents and carers in the design of future service delivery solutions. Further information about initiatives currently underway is provided in the response to question 21.
- Engaging in an icare wide Digital Engagement Platform program to develop an improved and user friendly website. Further information about this initiative is provided in the response to question 22.
- Allocating \$1.25 million in research, scholarship and fellowship, and support organisation grant funding annually over a three-year period from 2016/17 to 2018/19 in dust diseases related areas.
- Launching the Dust Diseases Care Research Grants program to provide funding for discovery, and translational research, and clinical trial infrastructure support into the causes, mechanisms, diagnosis, treatment and prevention of dust diseases to reduce the risk of people developing a dust disease and optimise health and care outcomes for people with a dust disease and their families.
- Launching the Dust Diseases Care Scholarship and Fellowship program, which complements the Research Grants program and supports the building of research capacity and capability in dust diseases related fields.
- Launching the Dust Diseases Care Support Organisation Funding program for not-for-profit, charity groups or organisations that provide support to people with a dust disease and their families. The grants are available to organisations that inform, educate and support people with dust diseases and their families, and optimise the wellbeing of people with a dust disease.

icare has also retained and enhanced the workforce and leadership of the Dust Diseases Scheme. The Scheme has been brought under the executive leadership of icare's Group Executive - Integrated Care, who also leads the Lifetime Care and Support Scheme and the transition of the seriously injured workers from the Workers Compensation and Treasury Managed Fund Schemes.

A General Manager - Operations has also been appointed with expertise in workers compensation, business improvement and strategic reform to provide leadership and support to the Dust Diseases Care team.

In addition, all Dust Diseases staff have been provided access to on line learning and development materials to support and enhance capability.

Lastly, Dust Diseases Care staff, who were previously separated across five floors in the former premises located at 82 Elizabeth Street, Sydney, have been relocated to the new icare office located at 321 Kent St, Sydney, NSW. icare's open plan office layout has facilitated a more collaborative work culture across the Dust Diseases Care teams now consolidated across two floors resulting in a more cohesive, customer centric operation to improve and enhance the customer experience.

2. *What steps has icare undertaken to ensure the public and relevant stakeholders are aware of changes brought about by the implementation of the State Insurance and Care Governance Act 2015, including the abolition of the Dust Diseases Board*

Answer

icare has issued a number of media releases informing the public and relevant stakeholders of the changes brought about by the implementation of the *State Insurance and Care Governance Act 2015*, including the abolition of the Dust Diseases Board. Copies of these media releases can be found on the icare website (<https://www.icare.nsw.gov.au/about-icare/newsroom>).

A message has also been posted in a prominent position on the Dust Diseases Care website landing page advising that the former Dust Diseases Board has changed its name and is now part of a new organisation known as Insurance and Care NSW (icare).

In addition, at the time of the implementation of *the State Insurance and Care Governance Act 2015*, all existing Scheme participants and key stakeholders were contacted through written and/or telephone communications informing of the changes.

Dust Diseases Care has embarked on a progressive rebranding process with brochures, fact sheets, letterhead and forms now identifying the scheme as icare Dust Diseases Care.

Dust Diseases Care represents the scheme and its services at a number of stakeholder forums including relevant industry conferences/forums and commemorative events such as National Asbestos Awareness Day. We have also participated in various forums and events with participant support groups and research organisations such as the Asbestos Diseases Foundation of Australia, Bernie Banton Foundation and the Asbestos Diseases Research Institute.

Dust Diseases Care has commenced work with its internal partners at icare to develop a communications and media strategy to build on the work already undertaken to promote the scheme and its services. As part of this, participant stories have been introduced to our website to offer insight into their journey and their interactions with icare Dust Diseases.

<https://www.icare.nsw.gov.au/community/customer-stories/karens-story>

Financial matters

3. *The icare Annual Report 2015-16 stated that 'Overall investment income across all schemes was about \$1.8 billion lower than the prior year, mainly as a result of volatile investment markets and low-interest landscape.'*

The Dust Diseases scheme reported a decrease in investment revenue Authority from \$99,262,000 in 2015 to \$48,206,000 in 2016. icare reported it introduced a number of changes during the 2015-16 year to improve the security of investment returns and the stability of scheme funding ratios. Can you provide an update on the current investment performance for the Dust Diseases scheme?

Answer:

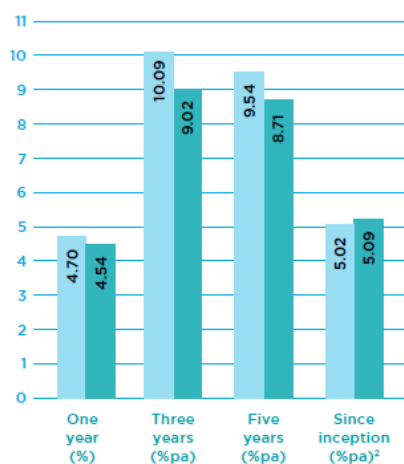
In the current financial year (2016/2017), the performance of both the Lifetime Care and Support Authority Fund and the Workers Compensation (Dust Diseases) Fund has been solid. The value of the Lifetime Care and Support Authority Fund has surpassed \$4 billion and is expected to surpass \$5 billion prior to the end of the financial year, whilst the Workers Compensation (Dust Diseases) Fund has exceeded the \$1.1 billion mark and continues to grow with strong performance.

Fund's investment performance as at 31 March 2017

Dust Diseases Authority Fund	
Assets under management	\$1,130m
12 month performance	9.40%
Financial Year to Date performance	5.99%
Approximate Investment Income (Financial Year to Date)	\$64.4m

Yearly comparison on investment returns

Dust Diseases Authority Fund



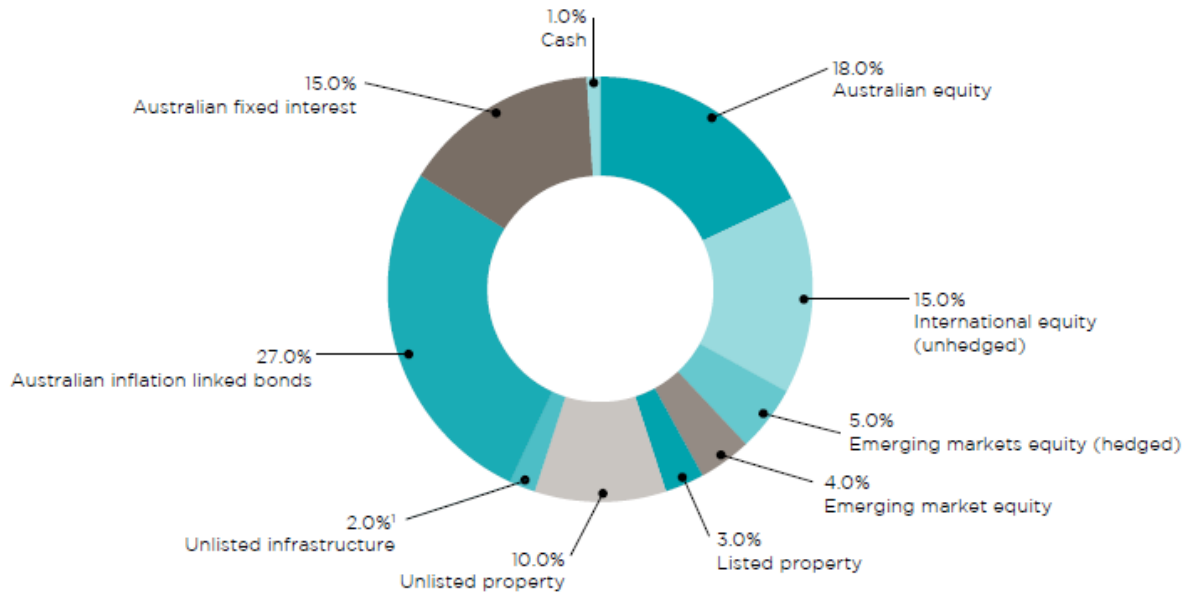
Fund Benchmark³

1. For full details on the earnings of all investment funds, please see the relevant financial statements.
2. Inception date is 1 July 2007.
3. Composite based on the fund's strategic asset allocation.

Fund's asset allocation

As at 30 June 2016, the Workers Compensation (Dust Diseases) Fund asset allocation has a well-diversified strategic asset allocation, with 57.0 per cent of assets in diversified growth assets and 43.0 per cent in defensive assets. The performance of the Workers Compensation (Dust Diseases) Fund was 4.70 per cent, achieving a return of 0.15 per cent in excess of the benchmark for the financial year. The Fund has also exceeded the benchmark over the three (1.07 per cent) and five (0.82 per cent) year periods.

Dust Diseases Authority Fund



1. Long term SAA includes a 5 per cent allocation to unlisted infrastructure.

4. Please explain the Dust Diseases Authority's process in providing SIRA with an annual certified estimate of expenditure.

Answer:

In addition to internal actuarial capability, icare retains external actuarial support to assist in the liability estimation and levy setting for the Workers' Compensation (Dust Diseases) Authority. Prior to February 2017, this support was provided by Taylor Fry Consulting Actuaries. Following a recent tender process, this support will now be provided by PricewaterhouseCoopers Consulting (Australia) Pty Limited.

The outstanding claims liabilities of the Dust Diseases Scheme are estimated biannually. The estimate prepared at December each year is used to aid in the levy setting process.

In preparing the outstanding claims liability estimates, consideration is given to the likely incidence of future dust related diseases, as well as the benefit periods associated with claims that have already been reported and accepted. These projections give rise to the expected expenditure amounts for each future year associated with the delivery of support and compensation to all participants receiving payments in each of those years.

In addition to the benefit related costs, the expenses of administering the Scheme that are expected to be paid in each year are estimated. This combined amount forms the estimated annual cost for the Dust Diseases Scheme that needs to be met by income received by the Scheme. For the 2017/18 year, this estimated annual cost is \$108.5m. In previous years, this amount would have been the levy requirement for the year.

The governing icare Board has approved, for the first time, the inclusion of investment income as a source of revenue in the estimation of levies for the Dust Diseases Scheme. Investment income of 4.5 per cent on the \$1,135m assets of the Scheme has been included in the calculation of the levy requirement passed to the employers of NSW. This reduces the 2017/18 levy to \$59.9m.

Once the overall target levy amount has been determined, it is translated into a levy rate based on the estimated wage roll of employers in NSW. For 2017/18, the estimated wage roll is \$245 billion giving rise to a Dust Disease levy rate of 0.0244 per cent of wages.

Further work is then done to look at the relative risk in each Work Industry Classification (WIC) group. Each WIC code is assigned to one of eight rating schedules based on their experience or estimated exposure to asbestos or other dusts covered by the Scheme. Movements of WIC groups between schedules are governed by rules including limiting movement in any given year to a single schedule band and preventing WICs from returning to the schedule that they moved from in the previous year.

A list of WIC groups, their associated Dust Disease schedules and the Dust Disease levy rates is then provided to SIRA for its consideration and inclusion in the workers compensation premium collections in the coming year. This occurs only after the icare Board has approved the aggregate rate and expected collection amount.

Review of Eligible Dust Diseases

5. *Several submission authors noted that the list of compensable dust diseases in Sch 1 of the Workers' Compensation (Dust Diseases) Act 1942 is out of date and does not reflect current workplace dust caused diseases. What is icare's response to this?*

Answer:

Over the last five years, 98.3 per cent of the total work-related dust diseases certified by the Medical Assessment Panel are attributed to one of the following five dust diseases listed in Schedule 1 of the 1942 Act:

- Mesothelioma
- Asbestosis
- Asbestos related pleural diseases
- Asbestos induced carcinoma
- Silicosis

For each other possible occupational dust disease that may not be currently included in Schedule 1, epidemiological studies on the incidence of the dust disease would need to be undertaken, the exposure profile of the New South Wales workforce over time would have to be examined, the latency period would have to be determined and allowed for, and the severity of the disease on its occurrence would need to be investigated. This research would take a considerable length of time.

The proposal put forward by the Bernie Banton Foundation, Thoracic Society of Australia and New Zealand and Maurice Blackburn Lawyers would also require a legislative amendment to the *Workers' Compensation (Dust Diseases) Act 1942*, which is a decision for the Government.

6. *In 2015, Safe Work Australia issued a report, Deemed Diseases in Australia based on the latest scientific evidence on the causal link between diseases and workplace exposure. All states and territories, with the exception of Victoria, agreed to use the report when reviewing the deemed diseases provisions in their respective workers' compensation legislation. Does icare plan to conduct a review of the dust diseases included in Sch 1 of the Workers' Compensation (Dust Diseases) Act 1942, and if so will it refer to the Deemed Diseases in Australia report?*

Answer:

In November 2016, icare reviewed and considered the draft *Workers Compensation Regulation 2016* updating deemed diseases under Schedule 1 of the regulation that SIRA provided to the Minister for Innovation and Better Regulation.

At the time, icare advised SIRA that in order to determine the possible cost impacts on the Scheme associated with adopting the recommendations of the Deemed Diseases in Australia Report, it would be necessary to undertake epidemiological studies on the incidence of each of the listed diseases, examine the exposure profile of the New South Wales workforce over time, allow for latency periods and investigate the severity of the diseases when they occur. It was noted that a study of that magnitude would be lengthy and costly. These considerations would also apply to any proposal to amend Schedule 1 of the *Workers' Compensation (Dust Diseases) Act 1942* to adopt recommendations of the Deemed Diseases in Australia Report.

It should be noted that Schedule 1 of the *Workers' Compensation (Dust Diseases) Act 1942* already provides coverage for the following occupational diseases of the lungs, pleural and peritoneum identified in Deemed Diseases in Australia Report:

- Berylliosis
- Asbestos related diseases including mesothelioma
- Respiratory diseases caused by exposure to silica
- Coal dust pneumoconiosis
- Hard metal pneumoconiosis

In addition to the diseases listed under Schedule 1, the Act also allows for the awarding of compensation for other occupational disease of the lungs, pleura or peritoneum if the condition relates to an exposure that leads to any of the disease listed on the Schedule. Dust Diseases Care has utilised this provision to award workers compensation benefits to a total of four individuals who had developed scleroderma, a disease identified within the recommendations of the Deemed Diseases of Australia Report.

Awareness of the Scheme

7. *The Bernie Banton Foundation noted that there continues to be a lack of knowledge about the scheme for potential clients, and the entitlements and services available for existing scheme participants. Has icare taken any action since the 2014 review to improve awareness of the scheme and to enhance the information it provides.*

Answer:

icare has undertaken a number of activities to promote awareness of the Dust Diseases Care workers' compensation scheme including:

- Commenced a major project to develop an all of icare website containing detailed information about the Dust Diseases Scheme and icare. Further information relating to the website review can be found under point 22.
- Updated current website and social media site content, including promotional videos containing information about Dust Diseases Care and the various services it provides to workers, dependents and employers.
- Progressively updated and reissued current brochures and fact sheets about the Dust Diseases Care to inform and update potential clients and Scheme participants of their entitlements and services available. This information is also routinely issued to all participants at the application and compensation award stages.

- Sponsored and/or participated in events where sufferers of dust diseases and their families and carers are in attendance, presenting information about the Scheme and providing copies of brochures and fact sheets for attendees to take with them. icare recently sponsored and presented at the Asbestos Diseases Foundation of Australia's Asbestos Awareness Day and the Asbestos Diseases Research Institute's Pleural Mesothelioma Information Day. icare also attended and presented at the Bernie Banton Foundation's Bernie Banton Day event during Asbestos Awareness Week.
- The Dust Diseases Care Support Organisation Funding Program awards funding grants to groups or organisations that provide support to people with dust diseases and their families. Some current examples include:
 - The Bernie Banton Foundation has been awarded a grant over the next three years to fund the position of an Awareness and Support Co-ordinator and an awareness campaign in respect of the provision of support services for people living with dust diseases and their families, which will include information relating to the scheme where appropriate.
 - The Asbestos Diseases Foundation of Australia has been awarded a grant to fund the position of a Helpline Operator which provides support to dust diseases sufferers and their families, including information about the scheme.
- Media releases to promote the icare Lung Screen mobile health monitoring unit visits to regional areas across NSW.

8. *The Bernie Banton Foundation submitted that there is lack of communication between the Dust Diseases Care and scheme participants, resulting in the Foundation advocating directly with Dust Diseases Care, on behalf of participants. What strategies has icare put in place ensure communication with participants is personal, effective and responsive.*

Answer:

Dust Diseases Care contacts all new applicants by phone to inform them of the outcome of their application. This is followed with a written letter confirming the outcome of their application and an information package of services and entitlements for those applicants whose claims have been accepted.

All new participants who are entitled to receive reasonable and necessary medical and related treatments under the *Workers' Compensation (Dust Diseases) Act 1942* are contacted by phone. This phone call is then followed with written information about the various services and treatments covered.

In addition, Dust Diseases Care has implemented new procedures to identify workers who have not interacted with the Scheme for six months or longer, to ascertain if their circumstances have changed and determine if they require assistance with new or further medical and other related treatments.

Applicants who are not entitled to receive weekly benefits and/or medical treatments, but who have indicated prior occupational exposure to an occupational dust or who have showed radiological indications of past exposure to occupational dusts, are contacted by Dust Diseases Care every two to three years with an invitation to attend a medical examination to determine if they now have a disability that entitles them to compensation or medical treatments as a Scheme participant.

Dust Diseases Care acknowledges that there is always opportunity for improvement and will continue to explore new and improved methods of communication with its Scheme participants. Refer to the response to question 21 for details of new initiatives currently under scope to improve communication.

Application Process

9. *The Bernie Banton Foundation submitted that the application form and process for the Dust Diseases Scheme is too complex and overwhelming for applicants and their carers. Has icare taken any action to simplify the application process and provide support for applicants seeking to enter the scheme.*

Answer:

icare has commenced a co-design initiative utilising human centred principles to simplify application forms for access to entitlements under the Dust Diseases Scheme.

The co-design process involved icare staff and Scheme applicants and participants, and resulted in an amendment to the application format to a reduced length of two pages (previously 8 pages). A new initiative to accept applications over the phone will also facilitate the determination of claims and access to entitlements under the Scheme in a simpler and timelier manner. Factsheets and information brochures explaining the new procedures will be developed.

The newly designed forms along with supporting procedures and guidelines will be tested through a pilot involving a cohort of new applicants, with a view to rolling out the finalised application form template and procedures to all new applicants from October 2017.

In future, icare intends that the new application form will be supported by an online portal facility to facilitate easier and timely lodgement and receipt directly from the applicant and/or their nominated representative.

10. *The Bernie Banton Foundation recommended that the Workers' Compensation (Dust Diseases) Act 1942 be amended to allow posthumous applications. What is icare's response to this recommendation.*

Answer:

In its submission, the Bernie Banton Foundation suggests that the complex application process may contribute to an individual with a dust disease failing to make an application in their lifetime. icare considers that the actions and initiatives to simplify the application process as described in the response to question 9 and the reduction in the timeframes for determining claims will address these concerns.

icare notes that the non-acceptance of posthumous applications is consistent with common law procedures for pursuing damages in the Dust Diseases Tribunal of NSW and other jurisdictions around Australia.

Appeal Process

11. *The Thoracic Society of Australia and New Zealand raised its concern that there is no formal external medical appeal process and suggested that icare consider the establishment of an independent Medical Appeal Tribunal. What is the current process if an applicant or scheme participant disputes a decision made by Dust Diseases Care.*

Answer:

There is no statutory requirement under the *Workers' Compensation (Dust Diseases) Act 1942* for a Medical Appeal Tribunal as proposed by the Thoracic Society of Australia and New Zealand. Section 7(3) of the Act provides that the Medical Assessment Panel (MAP) can review decisions and provide reports as the Dust Diseases Authority requires.

The medical specialists on the MAP are ministerial appointments. The MAP is comprised of an independent Chair and Deputy Chair and two senior respiratory physicians nominated by employer and employee groups. A minimum of two members of the MAP are required to issue a certificate of disability and a maximum of three members may attend a MAP meeting (Chair or Deputy Chair with a member each nominated by employers and employee groups).

Although not a statutory requirement, an internal review process is in place for applicants and Scheme participants who disagree with a decision relating to the issuing of a certificate of disability utilising the provisions of section 7(3). Letters of outcome inform applicants and Scheme participants of their right to request an internal review.

An applicant or Scheme participant who disagrees with a decision of the MAP can request an independent review of the original decision in writing and where applicable, submit new information in support of their request. A MAP, made up of members not party to or involved in the original decision, will then assess the request and will either uphold the original decision or issue a new certificate of disability.

Applicants and Scheme participants can also appeal a decision of the MAP under section 8I of the *Workers' Compensation (Dust Diseases) Act 1942* in the District Court of NSW. Appeals in the District Court of NSW require legal representation.

Provisional Liability

12. *The 2014 Review of the Workers' Compensation (Dust Diseases) Board prompted the Committee to recommend further investigation into the introduction of provisional liability for malignant claims to the scheme. Has there been any further examination of this proposal.*

Answer:

The proposal to introduce provisional liability for malignant claims may lead to a number of impacts upon the Dust Diseases Scheme including:

- possible financial impacts upon the sustainability of the Scheme;
- possible impacts upon finalisation of matters in the Dust Diseases Tribunal in circumstances where an individual pursues claims in both jurisdictions and the ability to recover costs from negligent third parties; and
- potential impacts on the physical and mental health of applicants should a provisional award not lead to a final award.

A considerable number of compensation applications received by Dust Diseases Care do not contain a definitive medical diagnosis, nor have all the diagnostic tests necessary to support a definitive diagnosis been undertaken by the applicant worker. The diagnosis of dust diseases such as mesothelioma is a specialist medical field of expertise requiring holistic consideration of a range of diagnostic tests including histopathology as well as any co-morbidity.

The Asbestos Diseases Research Institute in its 2013 publication "*Guidelines for the Diagnosis and Treatment of Malignant Pleural Mesothelioma*" noted the difficulties in diagnosing malignant mesothelioma, as the symptoms and clinical findings can mimic and be mimicked by other diseases. This opinion is supported by AC Bibby, et al in the 2016 paper "*Malignant pleural mesothelioma: an update on investigation, diagnosis and treatment*" where it states that malignant pleural mesothelioma is a "*challenging*" diagnosis to make.

The 2015 amendments to the *Workers' Compensation (Dust Diseases) Act 1942* now require Dust Diseases Care to determine the outcome of applications within two working days of the Medical Assessment Panel (MAP) issuing a certificate of disability or obtaining all necessary information to support decision making.

Dust Diseases Care staff work with applicants to help them obtain all the necessary information required to support their application and will frequently work directly with the applicant's medical providers, on their behalf, to ensure the timely provision of medical reports and documentation. Once all the required information has been received, the application proceeds to the MAP without delay.

Malignant dust diseases, such as mesothelioma, are mostly assessed with 100 per cent disability from time of diagnosis. In some instances, an interim award may be made in accordance with section 8B of the *Workers' Compensation (Dust Diseases) Act 1942* pending a final determination by the MAP.

Since 1 September 2015, 100 per cent of applications have been determined within the required two working days timeframe. As at 31 March 2017, applications received from workers are determined within 61.77 days on average and applications received from dependents are determined within 28.36 days on average.

Diagnosis and assessment of disablement

13. *The Thoracic Society of Australia and New Zealand noted its concerns that decisions made by icare in relation to assessment of disablement are not transparent and recommended that icare review its current standards for diagnosis and assessment and make these standards publicly available. What is icare's response to these concerns and this recommendation?*

Answer:

The Medical Assessment Panel currently takes into account and is guided by the following considerations when assessing and determining if an applicant has a compensable dust disease and the degree of disability arising from such a dust disease:

- The extent of the applicant's dust disease based on radiological changes.
- Lung function results that meet the Australian Thoracic Society and European Respiratory Society criteria, which are publically available.
- Functional assessments of the applicant such as ability to work, exercise capacity and the American Medical Association Scale. Cardiac evaluation will be considered when available.
- The State Insurance Regulatory Authority (SIRA) *NSW Workers Compensation Guidelines for the Evaluation of Permanent Impairment 4th edition*, which is publically available.
- Other factors including previous injury, pre-existing medical conditions or abnormalities, and lifestyle factors that may contribute to the applicant's impairment.

In addition to the publically available criteria and guidelines, the MAP's assessment of disablement is based on the individual medical evidence of each applicant.

Liability from diagnosis date

14. *Maurice Blackburn Lawyers recommended that the Dust Diseases Scheme backdate compensation for participants to the date of diagnosis, not from the date of application as is currently the case. What is icare's response to this recommendation?*

Answer:

Section 8(7) of the *Workers Compensation (Dust Diseases) Act 1942* provides that weekly compensation benefits are payable from the date that an application for compensation is received, or from an earlier date should the Dust Diseases Authority determine.

Dust Diseases Care awards weekly compensation benefits from date of diagnosis for malignant diseases, such as mesothelioma and lung cancer in association with asbestos exposure. It is medically easier to determine the date that the disability attributed to the dust disease commenced.

At the present time, applicants with non-malignant diseases are awarded compensation from the date that an application is received. The nature of non-malignant occupational dust diseases means that it is medically difficult for the Medical Assessment Panel (MAP) to determine a date of diagnosis. This is due to the degree of ambiguity in determining the date that the disability attributed to the non-malignant dust disease commenced. Accordingly, the MAP will certify that the participant's commencement of disability is from date of application.

Dust Diseases Care considers reimbursement of medical expenses prior to the date of application where evidence is provided to demonstrate that the expenses incurred relate to the dust disease.

Section 8(1)(b) provides that dependants of deceased individuals who have died as a result of an occupational dust disease attributable to their employment as a worker in NSW, may make an application for compensation in their own right despite the individual having not made an application in their lifetime. Entitlements in these circumstances consist of a one-off lump sum and weekly benefits payable to a surviving spouse, child or children or prescribed relative.

Research, community grants and prevention

15. The icare Annual Report 2015-16 noted that the Dust Diseases Research and Community Grants Scheme delivers a range of positive outcomes for affected workers and provided detail on several research projects currently receiving funding. Please provide an update on progress of these projects.

Answer:

Research Grants	
Project Description:	Exploiting immune checkpoint blockade to generate effective therapy for malignant mesothelioma
Project Co-ordinator:	Professor Richard Lake
Research Area:	Developing and evaluating new treatments and services to improve quality of life for workers suffering from dust diseases
Total Budget:	\$239,076.50
Project Duration:	2 years
Completion date:	July 2017
Study Progress:	Currently compliant with milestones under the funding Agreement
Project Description:	Establishing the biological activity of malignant effusions in malignant pleural mesothelioma
Project Co-ordinator:	Professor Jeanette Creaney
Research Area:	Developing and evaluating improved treatments for dust diseases
Total Budget:	\$249,432
Project Duration:	2 years
Completion date:	January 2018
Study Progress:	Currently compliant with milestones under the funding Agreement

Research Grants	
Project Description:	Lung Cancer risk and screening guidelines after asbestos exposure
Project Co-ordinator:	Dr Nicholas de Klerk
Research Area:	Improved techniques for screening and diagnosis of dust disease and for assessing disability
Total Budget:	\$190,962
Project Duration:	2 years
Completion date:	June 2017
Study Progress:	Currently compliant with milestones under the funding agreement
Project Title:	Phase II Trial of Novel FGF-Receptor Antagonist in Mesothelioma
Project Co-ordinator:	Professor YC Gary Lee
Research Area:	Developing and evaluating improved treatments for dust diseases
Total Budget:	\$249,877.40
Project Duration:	2 years
Completion date:	September 2018
Study Progress:	Currently compliant with milestones under the funding Agreement
Project Description:	Micromanaging microRNA's to treat malignant pleural mesothelioma
Project Co-ordinator:	Associate Professor Glen Reid
Research Area:	Developing and evaluating improved treatments for dust diseases
Total Budget:	\$245,000
Project Duration:	2 years
Completion date:	November 2018
Study Progress:	Currently compliant with milestones under the funding agreement

Under the terms and conditions of our grant funding agreement with researchers, a fuller description of the project and its outcomes for publication is normally provided with the final end of grant report. Agreement from the researcher is required before publishing any project results and outcomes, as the release of progressive and final results may negatively impact on project generated intellectual property or the researcher's ability to publish their findings.

16. *In its submission, the Bernie Banton Foundation made several recommendations in relation to icare supporting research by the Asbestos Diseases Research Institute through infrastructure funding. What is icare's response to these recommendations?*

Answer:

The icare Dust Diseases Care research program targets three areas. One of these is clinical trial infrastructure support grants to fund costs such as venue, staff, resources and bio-banking facilities. The 2017 Research program is the first in the history of the prior Dust Diseases Board research program to offer this stream of funding. In the current research grant funding round for 2017, no applications were received in respect of clinical trial infrastructure support.

The Asbestos Diseases Research Foundation was established in 2006 as a charitable, not-for-profit organisation to assist and support the research conducted by the Asbestos Diseases Research Institute. The former Dust Diseases Board contributed \$6.9 million as a one-off payment to the Asbestos Diseases Research Foundation to build the Asbestos Diseases Research Institute at Concord Hospital in 2007.

Since that time, the Asbestos Diseases Research Institute has received funding for six competitive research projects totalling over \$1.35 million from the grants programs of the former Dust Diseases Board and now icare Dust Diseases Care. In addition, we have provided in kind administrative support to the Asbestos Diseases Research Institute for the following studies:

- The Asbestos Diseases Research Institute Tissue Biobank.
- Observational study of health-related quality of life in patients with malignant mesothelioma.
- Long term survivors in pleural mesothelioma.
- Retrospective clinic-pathological review of patients with asbestos-related lung cancer versus non-asbestos-related lung cancer.

Organisations are also able to access funding support for infrastructure under other programs.

icare Dust Diseases Care (Workers' Compensation Dust Diseases Authority) is currently listed on the Australian Competitive Grants Register (ACGR). The ACGR lists schemes that provide competitive research grants to higher education providers. As detailed on the Australian Government Department of Education and Training website¹ the income higher education providers received from funding bodies listed on the register is a metric used to inform the allocation of the Australian Government's Research Block Grants. Research Block Grants consist of two programs including the Research Support Program. The Research Support Program provides block grants to support the systemic costs of research not supported directly through competitive and other grants - for example to pay for libraries, laboratories, consumables, computing centres and the salaries of support and technical staff.

To be listed on the ACGR, icare dust diseases care must satisfy the following criteria:

- Funds are/will be provided on a nationally competitive basis during 2016 and 2017.
- Funds are clearly for research only.
- The funding scheme is/will be nationally advertised and available to universities throughout Australia.
- The funding scheme has a well-defined mechanism for competition and selection by a well-qualified panel.
- Funds are/will be provided through direct transfer from the funding agency to the higher education institution.
- Grants in-kind such as the use of facilities, equipment etc. are not eligible.
- Schemes that predominantly provide subsidised travel and/or accommodation are not eligible.
- Funding schemes used exclusively to fund student scholarships are not eligible.
- Schemes that provide funding wholly or mainly for infrastructure purposes are not eligible.
- The funding body must agree to provide up-to-date funding data to the Department of Education.

¹ <https://www.education.gov.au/australian-competitive-grants-register>)

- The funding scheme* must have an annual budget of \$1 million or more. *ARC, NHMRC and Rural R&D schemes are not subject to this criterion.

Due to icare Dust Diseases Care's inclusion on the ACGR, those successful applicants under our program who are receiving our grants for discovery or translational Research, may access Federal Government support for infrastructure if eligible.

17. In its submission, the Thoracic Society of Australian and New Zealand recommended that Dust Diseases contribute to the prevention of dust disease. Does icare lead or contribute to any initiatives designed to prevent the occurrence of dust disease in the workplace?

Answer:

The *Work, Health and Safety Act 2011* confers upon SafeWork NSW responsibility for management of work, health and safety issues, including the prevention of dust diseases, in NSW workplaces.

Employers in NSW have a responsibility to provide health monitoring for workers exposed to hazardous dust in the workplace. icare Dust Diseases Care's Lung Screen is a mobile respiratory testing unit that supports employers by visiting their worksite or premises to provide health monitoring services. On board the Lung Screen unit there is an x-ray room, advanced lung function testing equipment and medical practitioner to conduct the examination.

Each examination comprises:

- a lung function test by a respiratory scientist;
- a respiratory medical examination by a doctor; and if required:
- an x-ray reported by a radiologist.

Results from Lung Screen are analysed by a respiratory physician. A health monitoring report is provided to each worker and the employer is notified of any workplace injury. In the last financial period 2015/16, icare Lung Screen performed health monitoring on 3,934 workers across 47 large employers.

icare Dust Diseases Care is a member of the Heads of Asbestos Co-ordinating Authorities (HACA) which is chaired by SafeWork NSW Local Government NSW. HACA works to improve the management, monitoring and response to asbestos issues in NSW by developing coordinated prevention programs and providing information on the identification and management of asbestos in the workplace. These programs include:

- A State-wide plan for asbestos.
- An asbestos blueprint on the role of State and local government.
- A public awareness campaign to promote the safe handling of asbestos during home renovations and maintenance and help prevent asbestos related diseases.
- A model asbestos policy for local councils.
- Information on property hazards after a bushfire.

The Asbestos blueprint sets out the roles and responsibilities of Government organisations and includes the provision of information on the identification and management of asbestos in the workplace.

icare Dust Diseases Care is also currently collaborating with SafeWork NSW on the Respirable Crystalline Silica initiative that will perform workplace monitoring on employers using artificial stone.

18. *The Thoracic Society of Australia and New Zealand noted the absence of a data collection system that compiles and analyses statistics on occupational lung disease and recommended that icare take responsibility and fund such a system. Does icare maintain any statistics on the incidence of occupational lung disease and if so, what purposes does the data serve?*

Answer:

icare Dust Diseases Care maintains statistical information about the incidence of occupational diseases certified by the Medical Assessment Panel. Statistical data collected and maintained relates only to matters where an individual has lodged an application for workers compensation as a result of alleged occupational exposure to dust while employed as a worker in NSW.

This data is used by our actuaries to inform the financial requirements and sustainability of the Dust Diseases Fund to meet the Scheme's claim liabilities presently and into the future. The data is also used to inform initiatives and opportunities to develop and/or improve services and outcomes for Scheme participants.

In addition, icare has shared information and data that it maintains and participated in activities in the following instances:

- SafeWork NSW in respect of asbestos and silica exposure prevention, health surveillance including notification of current workers with an indication of exposures likely to breach WHS legislation and disease statistics.
- Participated in Heads of Asbestos Co-ordinating Authority (HACA) activities around dust diseases research and exposure prevention and response.
- Provided dust diseases compensation statistics to SafeWork Australia.
- Provided disease and industry statistics to the State Insurance Regulatory Authority (SIRA).
- Provided silica-related statistics to industrial hygienists.
- Provided data on asbestos-related diseases and costs to the Centre of International Economics.
- Provided dust diseases data to the NSW Mine Safety Advisory Council.

We note that the Thoracic Society of Australia and New Zealand recommends that Dust Diseases Care give consideration to recommencing a data collection program similar to Surveillance of Australian Workplace Based Respiratory Events (SABRE) program that the former Dust Diseases Board administered from 2001 to 2008. SABRE was a voluntary notification scheme whose performance was hindered by external factors including low participation, under diagnosis and under reporting resulting in incidence rates of new diagnoses being underestimated. It was as a result of these factors that the former Dust Diseases Board determined to suspend the SABRE program.

icare supports the idea of a national data collection system for occupational lung diseases, although notes the establishment of such a system would take extensive collaboration, co-operation and effort between industry, academia, government and other special interest groups across Australia to ensure the usefulness and ongoing commitment to, and validity of, the project. icare would consider co-funding such a national data system, along with other government authorities and industry organisations that will benefit from contributing to and accessing the data available from the system.

Health Monitoring

19. *The icare Annual Report 2015-16 notes that Dust Diseases provides a mobile respiratory monitoring service, the Lung Bus, that provides screening services for workers. Please provide further information on this service including sites that have been visited and uptake figures since 2014.*

Answer:

The Dust Diseases Care Lung Screen health monitoring service for employers and workers provides comprehensive screening for respiratory irregularities resulting from occupational exposure to hazardous dusts, such as asbestos and crystalline silica. The service is designed to support NSW employers to comply with their responsibilities under the *Worker Health and Safety Act 2011* to provide health monitoring for workers exposed to hazardous dust in the NSW workplace.

The service is designed to minimise lost time and productivity for both employers and workers with examinations taking between 20 to 25 minutes. Each examination comprises:

- a lung function test by a respiratory scientist;
- a respiratory medical examination by a doctor; and if required
- an x-ray reported by a radiologist

The service is provided at a subsidised cost of \$100 plus GST. Employers can choose to have the Lung Screen mobile unit visit their workplace or local area, to send their workers to be screened at the Dust Diseases Care Sydney CBD based medical centre, or for Dust Diseases Care to arrange for the screening to take place through a locally based service provider on their behalf.

From 1 July 2014 to 31 March 2017, Lung Screen undertook health monitoring examinations on a total of 10,151 workers. The Lung Screen vehicle has travelled to the following regional locations in NSW: Albury, Ballina, Bathurst, Bega, Blue Mountains, Broken Hill, Coffs Harbour, Dubbo, Forster, Gosford, Grafton, Griffith, Lithgow, Maitland, Mudgee, Muswellbrook, Newcastle, Orange, South West Rocks, Southern Highlands, Tamworth, Taree, Tumut, Tweed Heads, Wagga Wagga and Wollongong.

From November 2016, Dust Diseases Care has been offering the Lung Screen mobile unit health monitoring service to small to medium high-risk employers. Examples of small to medium businesses targeted for this service range from asbestos removalists and demolition companies, through to construction labouring activities that may expose workers to asbestos and silica dust. The expanded service is of great benefit to small and medium high-risk employers in regional areas, who may have experienced difficulties in providing health monitoring for their workers due to lack of suitable service providers and/or prohibitive costs (including travel associated with attending health monitoring. As at April 2017, five small high-risk employers have engaged the Lung Screen mobile unit to screen a total of 20 workers based in Bega, Orange, Tumut, Milton and Islington.

Client satisfaction

20. *The 2014 Review noted that the Dust Diseases Board had conducted a client satisfaction survey in 2013. Has there been a subsequent survey of scheme participants?*

Answer:

icare has implemented a Net Promoter Score (NPS) system to actively gauge client satisfaction and how well the organisation is delivering services and meeting the needs of its customers. The NPS is a customer service tool that helps capture feedback on a customer's experience via a quick survey. The NPS is being conducted on icare's behalf by Customer Monitor, an independent research agency that provides an internationally accredited benchmark of customer service.

The NPS for Dust Diseases Care has been rolled out with surveys already underway for existing and new Scheme participants including workers and their dependents, service providers, and those employers and workers and employers who have accessed the Lung Screen mobile health monitoring service. All Dust Diseases Care customers will be issued with a survey at least once a year and as many as four times a year. Participation in the survey is voluntary and customers can elect to opt out of the survey process at any time. Customers have a choice of completing the survey via email or telephone interview which is performed by Customer Monitor.

The insights and information collected from the surveys will help inform and drive improvements to our services and support, which will help improve the customer experience and outcomes.

Dust Diseases Care has implemented a triage procedure to follow up low scoring NPS respondents to ensure the timely response to and resolution of issues identified by the respondent through the survey.

As at early May 2017, the NPS score for icare Dust Diseases Care is +61. According to the February 2017 Australia NPS Benchmarking Report collated by Customer Monitor, the NPS score for the insurance sector is +10 and for charities is +27.

Care programs and flexibility for scheme participants

21. *The icare Annual Report 2015-16 noted that Dust Diseases is pursuing a range of innovative programs to improve flexibility and care options for scheme participants. Please provide an update on the progress of these initiatives.*

Answer

The following Dust Diseases Care initiatives have been recently completed and implemented:

- All workers are now proactively afforded the choice of accessing medical screening examination services either through the Dust Diseases Care medical centre located in the Sydney CBD, the Lung Screen mobile unit visiting their regional area, through their own regular treating respiratory physician, or through a locally based provider close to where they live.
- The choice of home-based lung function testing services is also now offered to workers who have been consistently unable to leave their home and travel to medical screening appointments due to their health, age and immobility.
- A pre-approved healthcare services package for all Scheme participants who are totally disabled is now available providing faster access to a suite of nursing, related healthcare and domestic assistance services, mobility aids and equipment following a single upfront approval from their medical treating specialist.

- The rebranded icare Lung Screen mobile unit has expanded its service offering to now include small and medium at-risk employers in NSW engaged in industries where workers may be exposed to asbestos, silica and other harmful dusts in the workplace. Previously, the mobile unit was only available to provide worker health monitoring services to large employers in NSW.
- A paperless solution has been introduced to improve the processing of service requests for Scheme participants that will help improve the timeliness of request determinations and service delivery.

The following initiatives are in progress and due to be rolled out progressively over the next 12 months:

- A single customer liaison point for applicants and Scheme participants to facilitate the delivery of more cohesive end-to-end, person-centric services tailored to the needs of the individual. This experience will also improve communication and information flows between customers and Dust Diseases Care, promoting a better understanding of the Scheme and its entitlements.
- A streamlined application form reduced to two pages and a facilitated application process to alleviate the administrative burden, reduce complexity and improve the timeframes for determination of claims for Scheme applicants.
- A dedicated, phone-based service request facility for Scheme participants to directly access fast track determinations and approvals for a range of services and other related healthcare requests such as replacement aids and equipment, and regular pharmaceutical needs.
- Facilitated peer support mechanisms for Scheme participants and their families. Mechanisms under consideration include referral to community and not-for profit support organisations with established networks of other sufferers of dust diseases and their families, and related support providers.
- Individual planning for Scheme participants, which is a new person-centred service offering tools that support participants to have more choice and control in identifying their goals and support needs. The tools will help ensure that the participant's circumstances, priorities and preferences are taken into consideration in the development of the plan to ensure that their treatment, care and support services are flexible and tailored to their particular life and individual needs.
- Pre-approved healthcare services packages for Scheme participants with a level of disability less than 100 per cent, providing them with faster access to ongoing healthcare and support following a single upfront approval from their medical treating specialist.

Website review

22. *The webpage for Dust Diseases (<http://dd.nsw.gov.au/>) indicates that a new website has been developed. What progress has been made in this regard?*

Answer:

A project to develop a new icare website is currently underway, which is planned for release in the fourth quarter of 2017. The redesign of the website is being created specifically for the users of the icare website and the designs are being tested with Dust Diseases Care customers and key stakeholders to ensure it meets their needs. The new website will meet AA accessibility standards in accordance with the Web Content Accessibility Guidelines version 2.0. Once the website is launched, icare will continue to optimise users' digital experience based on data and insights.