



LEGISLATIVE COUNCIL

STANDING COMMITTEE ON LAW AND JUSTICE

MEDIA RELEASE

ICARE'S PERFORMANCE AND OPERATIONS IN THE SPOTLIGHT AGAIN AFTER PARLIAMENTARY REVIEW

FOR IMMEDIATE RELEASE

30 April 2021

The Standing Committee on Law and Justice has released its report and findings today into the state of the New South Wales workers compensation scheme, focusing on the performance and operations of icare in managing the Nominal Insurer and Treasury Managed Funds, given these account for approximately 85 per cent of claims in the system.

In particular, the report highlights the deteriorating financial position of the Nominal Insurer and Treasury Managed Fund, attributing much of the decline to poorer return to work rates. The Chair of the committee, the Hon Wes Fang MLC stated: 'It is clear from the evidence that the performance of the Nominal Insurer has been affected by a fall in return to work rates and an increase in claim costs, including medical expenses. icare's decision and ambitious approach to implementing a new claims management model has also played a role, to the detriment of injured workers and the public'.

The report is critical of icare's leadership, governance and culture, outlining deficient procurement and contracting practices and examples of matters in which conflicts of interest have not been declared, recorded or managed appropriately. The committee emphasises the need for icare to implement leadership and cultural changes which ensure the agency operates with the high standard and level of responsibility expected of any public sector organisation.

The Chair added: 'The committee takes its oversight role in relation to the workers compensation scheme very seriously, in order to ensure it is working effectively and appropriate support is provided to injured workers. While we understand that there have been leadership and Board changes within icare, we intend to monitor the scheme closely, given the significant concerns raised about the scheme's financial sustainability and icare's operations'. The committee intends on having a hearing later this year to review the situation, and has also called for icare to provide an update at the end of 2021 about measures it is implementing to turn around its performance.

Overall, the report contains 22 findings and 9 recommendations and can be accessed online. Submissions, transcripts and other documents from the review can also be accessed on the website: www.parliament.nsw.gov.au/lawandjustice.

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For further information please contact Committee Chair, the Hon Wes Fang MLC, on 9230 2888.