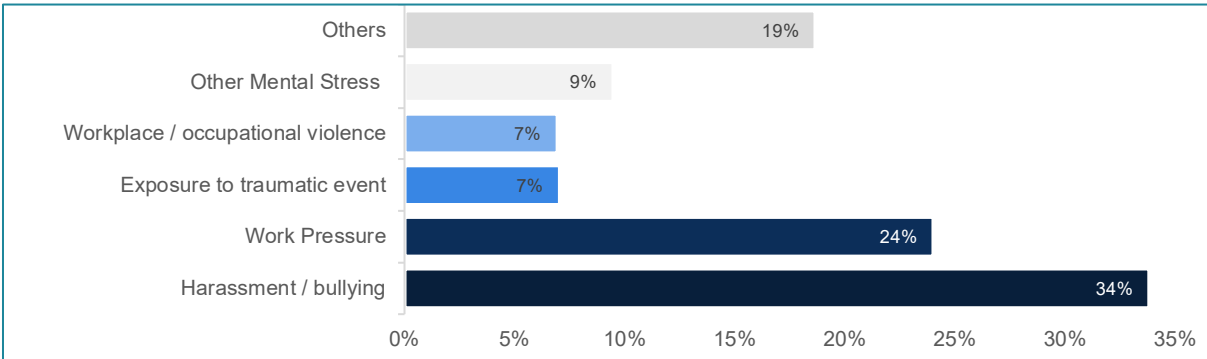
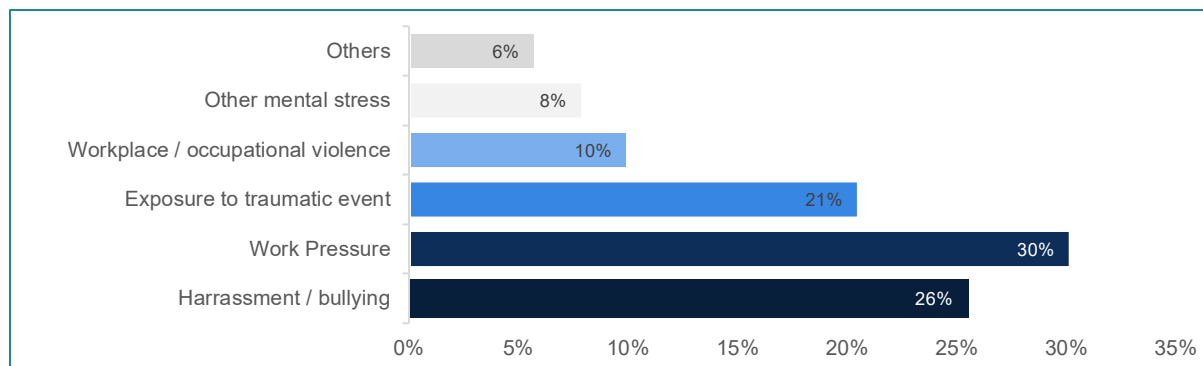


Law and Justice Committee's 2022 Review of the workers compensation scheme

Pre-hearing questions

Question	icare's response															
1. Do you have any further data/insight into the breakdown of psychological claims by type of ill-health (for example, depression/anxiety, PTSD), and this breakdown by insurer and industry?	<p><u>Claims by type of ill-health, by insurer (NI and TMF)</u></p> <p>Breakdown by reason given at claim lodgement (as a claim matures multiple causes can be identified).</p> <p>Source: icare's internal analysis of TMF claims data</p> <p><i>NI, Policy Renewal Year 2020, Causes of mental health claims</i></p>  <table><thead><tr><th>Cause of mental health claims</th><th>Percentage</th></tr></thead><tbody><tr><td>Harassment / bullying</td><td>34%</td></tr><tr><td>Work Pressure</td><td>24%</td></tr><tr><td>Others</td><td>19%</td></tr><tr><td>Other Mental Stress</td><td>9%</td></tr><tr><td>Workplace / occupational violence</td><td>7%</td></tr><tr><td>Exposure to traumatic event</td><td>7%</td></tr></tbody></table>	Cause of mental health claims	Percentage	Harassment / bullying	34%	Work Pressure	24%	Others	19%	Other Mental Stress	9%	Workplace / occupational violence	7%	Exposure to traumatic event	7%	
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TMF FY2021, Causes of Mental Health Claims



While there are some differences across the NI and TMF portfolios, several points stand out:

- Harassment / workplace bullying and work pressure are both the greatest causal mechanism of injury by claims volume
- These have remained broadly consistent over time (i.e. the casual mechanism / mix over time has not changed materially across the portfolios)
- Work pressure appears to be higher in the TMF portfolio, driven by the nature of work undertaken by NSW govt. agencies (e.g. emergency services agencies)
- Exposure to traumatic event is far more prevalent in the TMF. The NSW Police Service represent the largest source of such claims (almost five times as many as the second largest source of such claims, NSW Ambulance Service)

Claims by insurer

Comparison of new and active primary psychological claims in 2012-13 and 2020-21

Source: State Insurance Regulatory Authority submission to the Committee's review, 4 August 2022

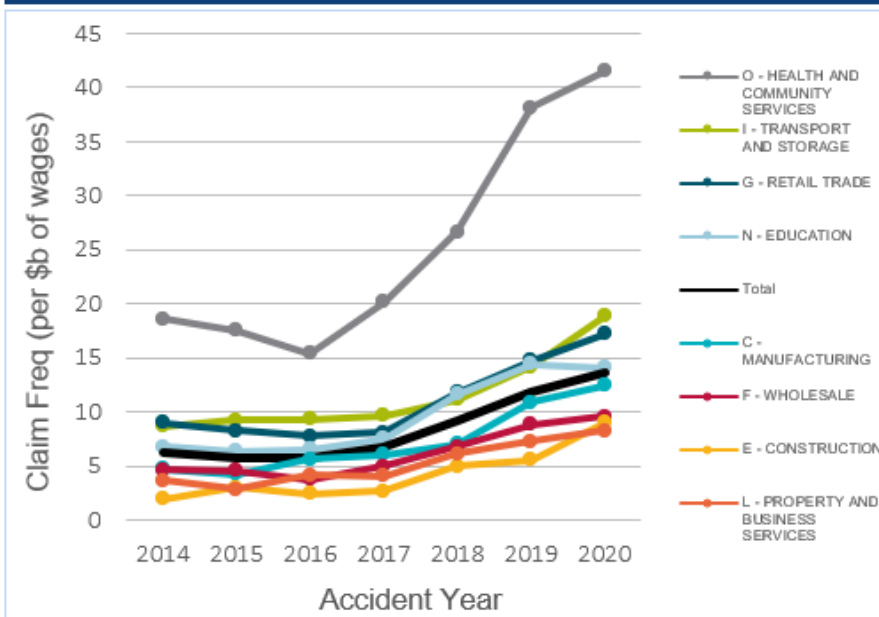
Insurer	2012-13			2020-21		
	New	Active	% of active claims	New	Active	% of active claims
Nominal insurer	2501	5431	4%	3906	9131	7%
Self-insurers	411	868	4%	518	1097	7%
Specialised insurers	242	495	4%	552	957	7%
Treasury Managed Fund	1946	6674	15%	3335	9418	27%
Total	5100	13378	6%	8311	20603	11%

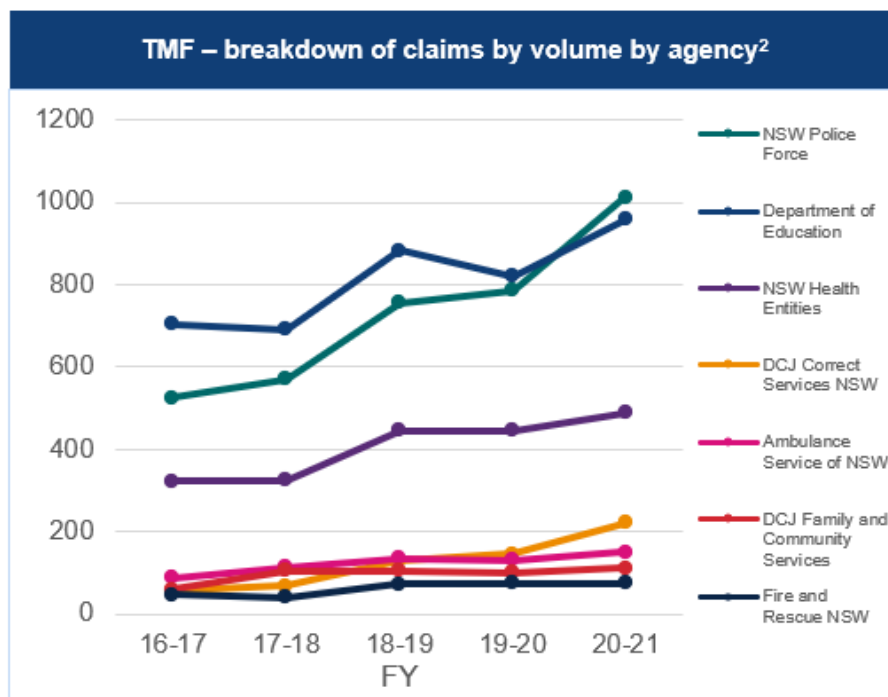
Claims by industry/sector

Breakdown of growth by industry/sector, which as shown is across all sectors, in particular health/community services within the NI and NSW Education and Police within the TMF (note: rate per \$b wages given for NI and total volume given for TMF due to differing data availability).

Source: Nominal Insurer Claims Portfolio Analysis, Finity Consulting, October 2021 and icare's internal analysis of claims data

NI – breakdown of claims frequency by industry (per \$b in wages, >1 week lost time claims)¹





2. Please outline the steps that have been taken to limit the number of independent medical examinations required of a claimant.

icare established the Medical Support Panel to reduce the need for workers to be referred for independent medical examinations (IMEs) to confirm their treatment requirements. The panel comprises medical specialists with specific expertise in occupational medicine and psychiatry and provides case managers with expert medical recommendations and case support, rather than workers being automatically referred for IMEs. IMEs still play a valuable role in cases where medical information is conflicting or incomplete, or where a physical examination is required. The Panel recommends workers be referred for IMEs in just over 30 per cent of cases.

IMEs may also be arranged by case managers for other purposes, including where further information is needed to confirm diagnosis of an injury and/or its relationship to employment; determine the likelihood and timeframe for recovery; confirm functional ability and medical restrictions; inform work

	<p>capacity assessments and decisions; and assess permanent impairment.</p> <p>Case managers must adhere to the State Insurance Regulatory Authority (SIRA) <i>Workers Compensation Guidelines</i> (the Guidelines). Part 7 of the Guidelines require that case managers seek further information from, and resolve any issues with, a worker's treating professionals before arranging IMEs. Part 5 of the Guidelines also stipulates that a worker cannot be required to attend more than four appointments per work capacity assessment, and that of these appointments, there cannot be more than one with the same type of healthcare professional or medical specialist (for example, a psychologist or psychiatrist).</p> <p>In relation to subsequent IMEs, the Guidelines require that they can only be conducted in specific situations. These include where there is evidence that the worker's injury has significantly changed or resolved; there is a request for or evidence of a need for a material change in medical treatment; the worker makes a claim for permanent impairment or work injury damages; the worker requests a review after receiving a notice (issued under section 78 of the <i>Workers Compensation Act 1987</i>) and includes additional medical information that they ask be considered; it has been at least six months since the last IME required by the employer/insurer; or if the referrer can provide significant reasoning for the need for an assessment in a shorter timeframe.</p>	
<p>3. Please outline the steps taken by icare since the 2020 review of workers compensation to address concerns about its financial performance.</p>	<p>We continue to actively work on key financial levers in our schemes. Our main workers compensation schemes, the Nominal Insurer (NI) and Treasury Managed Fund (TMF), have continued to deliver substantial progress in the last six months, and are fully funded and able to meet their long-term liabilities.</p> <p><u>Reducing operating costs</u></p> <p>icare has continued to make good progress in managing its expenses which has led to costs being below the current year forecast. We have achieved our gross cost savings target of \$100 million over two years, including through:</p> <ul style="list-style-type: none"> • Enterprise Project net savings - lower project costs as the enterprise focused on stabilising and simplifying operations and reinvigorating overall strategy. • Operational efficiency benefits - consolidation of lease premises and write down of leased asset due to COVID-19 in FY20, organisational redesign savings and broader efficiency improvements. • Bad and Doubtful Debts - favourable results have been achieved through targeting the 	

premium debts greater than 180 days. Note, additional bad debt benefits also relate to various companies being allowed to trade whilst insolvent during the COVID-19 pandemic. This will be closely monitored as operating environment stabilises post COVID-19.

- Fees - reduction in fees from insourcing of debt collection function from QBE and introduction of policy and billing portal leading to lower Service NSW fees. Also contributing to lower fees is the insourcing of HBCF eligibility process and actuarial contributions process.

The Management Expense Ratio (MER), which shows the percentage of scheme expenses against assets, is 18% for the NI, and 10% for the TMF, as at 30 June 2022.

Initiatives to reduce the cost of claims

At the June 2022 valuation, the NI had an underlying \$490 million favourable movement due to improved front-end return to work (which was partly offset by a \$220 million unfavourable movement due to higher actual inflation in the six months to March). This is a positive reflection on the changes icare is making, including the way in which we manage claims. We are creating a competitive marketplace for Claim Service Providers (CSPs) and other third-party service providers, with targeted performance incentives to drive better outcomes for injured workers, employees, employers and the scheme's financial performance. Our open market tender for new CSPs has closed and evaluation is underway.

We have enhanced our oversight of return to work performance, and the proposed new contracts with CSPs will incorporate new approaches that have been piloted in 2022 through the NI Improvement Program. We have identified priority areas as key practices to manage mental health claims, and are working with CSPs to improve capability in injury management planning, liability decision making, management of at-risk cohorts and information delivery.

Return to work rates have been improving, with the three-month rolling average up from 62.6% last December, to 66.7% in May this year (4 weeks improving by 4.1%, 13 weeks by 2.5% and 26 weeks by 1.6%). We are partnering with employers, CSPs and Government agencies to significantly improve RTW rates over the next five years. This effort is already starting to translate to improvement in front end RTW measures at both four and 13-week rates.

As with the NI, the increase in claims involving psychological injuries is a key driver of TMF scheme costs, and is having a tangible impact on RTW. icare is seeing a particular increase in claims in the health and community services sector and service delivery parts of the public sector. Our emergency

services workers are particularly impacted due to the challenging nature of the work that they do. In FY2021, 43% of psychological injury claims in the TMF were first responders who are required to work in stressful, volatile and demanding jobs, and 21% were linked to exposure to a traumatic event. In FY2021, mental health claims in the TMF made up 22% of claims volume but accounted for 54% of claims costs, meaning that in 2021, an additional \$360 million in costs were incurred by the TMF in relation to mental health related claims.

icare's response is multifaceted and informed by data and best-practice evidence. The redesign of our claims model includes changes to improve support for those with psychological injuries. In addition, we are working on a number of initiatives as outlined in our Submission to the inquiry, and throughout our responses to these Pre-hearing questions.

Pricing

In order to secure the long-term financial sustainability of the NI, icare implemented a modest 2.9% increase to the average premium rate for 2021-22. The NSW Government issued a written direction to icare to limit the average premium rate increase to 2.9 per cent for 2022-23, to ensure predictability and stability for businesses. This direction, made by the Minister for Finance, is reflected in icare's premium filing issued to SIRA. The filing was not rejected by SIRA.

Around Australia the challenging workers compensation environment has led to premium rate increases for 2022-23 in Queensland and South Australia (both publicly underwritten State schemes), and in Western Australia (the largest privately underwritten State).

Investment strategy

The icare Board review the Investment Strategy for the NI's investments, held in the Workers Compensation Insurance Fund, on at least an annual basis. In November 2021, the Board aligned the Investment Strategy with the Insurance Ratio, as recommended in the McDougal Review. This resulted in changes to the key return objectives documented in the Investment Risk Appetite Statement moving the return objectives from CPI+2.5% and AWE+1.5% over a rolling 20 years to CPI+3.0% and AWE+2.0% over a rolling 20 years. A revised asset allocation aligned to meet these new return objectives was approved by the icare Board in February 2022. A further investment strategy review will be undertaken in October 2022 given an explicit target of interest rate hedging being removed. The investment outcomes of the Scheme have strongly outperformed the Board approved risk and return objectives over the longer term, and it should be noted more recent changes will take time to take effect.

The MER for the Workers Compensation Insurance Fund is as follows was 0.29% for the 2020

	calendar year, and 0.27% for the 2021 calendar year. This is tabled at the icare Investment and Asset Committee on an annual basis and was last tabled in May 2022.	
4. What is driving the greater number of psychological injury claims with higher whole person impairment assessments and higher average work injury damages paid?	<p><u>Contributing factors</u></p> <p>The existing data shows that psychological injury claims are increasing in the workers compensation scheme due to a variety of factors, including the impact of mental health issues on the broader community, workplaces evolving from physical effort to mental effort of workers and the impacts of COVID-19. The proportion of psychological injury claims that reach the 15% Whole Person Impairment (WPI) threshold is also growing.</p> <p>Further work needs to be undertaken to understand the drivers of psychological injury claims with higher WPI assessments and higher work injury damages (WID) settlements in the NI. For the TMF, there is a clear relationship between increasing medical discharge claims due to psychological injury in NSW Police and increasing proportion of claims with WPI greater than 15%. This is to be expected as to receive a medical discharge a person needs to be unable to work. Being unable to work would also contribute to a WPI assessment of greater than 15% for a psychological injury.</p> <p>icare has observed acceleration in WID claims for psychological injuries, i.e. notice that a claim will be made is happening earlier in the claim. It should also be noted that, coinciding with the increasing number of psychological injury claims is an increase in the severity of claims. These claims can be complex and difficult to manage; and are often influenced by non-work factors and RTW challenges.</p> <p>The increasing incidences of mental health issues also means that access to effective services can be delayed or compromised. icare and its CSPs experience first-hand the pressure of a mental health system with fragmented and limited services, particularly in regional and rural areas. We are supporting a number of initiatives to work to address this issue. We have joined with other workers compensation organisations and researchers to provide in-kind support for implementation of evidence-based guidelines for the diagnosis and management of work-related mental health conditions in general practice. We have also offered in kind support to the University of Sydney for a program of work on <i>Reconstructing Australia's Mental Health System: A multi-level, Transitional Approach</i>, which offers the prospect of building new capability to expand the capacity, and finding better ways to connect different elements of, the mental health system.</p> <p>Further, preliminary research from University of Sydney suggests that there are declining levels of employer support for workers with compensable injuries, impacting RTW rates by up to 25%. icare has commissioned further analysis of our data by the University to understand the extent to which these</p>	

pressures are linked directly to our schemes.

WPI assessment process

icare acknowledges there are broader issues related to the use of the WPI assessment for entitlements to weekly income and medical expenses, as raised in various reviews and recommendations. icare is looking forward to contributing to further consultations with SIRA to assess the appropriateness of the WPI threshold, and the assessment processes used to establish that threshold, to ensure scheme viability and better outcomes for injured workers, including for psychological injuries.

When permanent impairment is assessed to be at least 15% in psychological injury claims, an injured worker can access compensation (lump sum payment, weekly benefits, and medical and related expenses), and has the ability to claim work injury damages.

The tool used for the evaluation of WPI in psychiatric and psychological disorders is the Psychiatric Impairment Rating Scale (PIRS). This has replaced the American Medical Association's (AMA) Guides to the evaluation of permanent impairment edition five. The PIRS requires a medical examination to be conducted by a psychiatrist who has undergone appropriate training on this assessment method. SIRA lists the requirements for training and approval of assessors. However, there is no specific detail on SIRA's website to indicate if the approval is only given once or if there is ongoing reaccreditation required.

The worker is assessed in the areas of self-care, social and recreational activities, travel, social functioning, concentration, persistence and peace, and adaptation/employability, and rated using a scale of one to five in severity.

A psychiatric disorder is considered permanent if the psychiatrist determines it's likely to continue indefinitely. For psychological injuries to reach the permanent impairment threshold to qualify for benefits, the condition needs to affect the worker's concentration and their ability to work and care for themselves. The assessor must exercise their clinical judgement in making a diagnosis of permanent impairment and the primary source of information about the mental health condition comes from injured workers themselves.

Process not tailored for psychological injuries

The most relevant tools for assessing psychiatric impairment in Australia are the PIRS, use in QLD, WA and NSW and the Guidelines for the Psychiatric Evaluation of Impairment for Clinicians (GPEIC) use in VIC and SA. PIRS is based on functional activities of daily living, while GPEIC is based on a

mental state examination.

Both PIRS and GEPIC have been criticised on the basis that the assessment lacks a sound basis in medical or scientific research; and that reports often may appear subjective and inconsistent and are difficult to verify and amenable to coaching¹.

In icare's view, it is important to review the PIRS tool to understand its challenges and ultimately, to look into whether the PIRS is the best and most effective way of calculating WPI within the workers compensation system. icare welcomes an opportunity to contribute to any future reviews on this issue to ensure better outcomes for injured workers and scheme viability.

The appropriateness of psychiatric tools to assess permanent impairment are also being considered in other jurisdictions. For example, in South Australia, [the Select Committee on the Return to Work Scheme](#) has established an inquiry on the effectiveness of the provisions relating to pure mental harm/psychiatric injuries under the GEPIC. Similarly, in Ontario Canada, [the Institute for Work and Health](#) is conducting an ongoing research literature to evaluate the measurement properties of three scales used to assess psychological impairment (one of those scales is the PIRS).

Scheme not fit for purpose for managing psychological injuries

icare acknowledges that several submissions before this Committee have indicated that the current system has been designed with physical injuries in mind and may not be fit for purpose for primary psychological injuries claims.

Early findings from research conducted through icare's partnership with the Black Dog Institute reflect the reality that our current workplace health and workers compensation systems were designed for physical health problems. This is because of the nature of a psychological injury, the difficulties in accessing appropriate medical treatments, especially for workers in regional areas, and the fact that the relationships between employer and worker may be fractured beyond repair, make it difficult to adhere to an Injury Management Plan, delaying recovery and return to work. icare would welcome an opportunity to contribute to any reviews on how to ensure that workers with psychological injuries receive the support that they need, without jeopardising the financial viability of the scheme.

¹ For example: Actuaries Institute, '*Mental Health and Insurance, Green Paper*', October 2017, p28 < <https://actuaries.asn.au/Library/Miscellaneous/2017/GPMENTALHEALTHWEBRCopy.pdf>>; Davies, G 2013, The Reliability of the Psychiatric Impairment Scale (PIRS) in Valuing Psychological Impairment, Psychiatry, Psychology and Law, vol. 20, no. 5, pp. 700 – 704; Dr Michael Epstein, '*A DIY Guide to Civil Psychiatric Assessment*', April 2018 Edition 3 p 67 < <http://civilforensicpsychiatry.com.au/wp->

	content/uploads/2018/05/DIY-final-Lee-.pdf> .	
<p>5. Given that icare has embarked on a change process to improve the performance of case managers, and specialised claims service providers, please update the committee as to any markers of progress and/or success in this area.</p>	<p>icare has finalised the NI Improvement Plan (a major component of our Improvement Program), and has engaged Janet Dore, who provided a report to inform the McDougall Review, to review our plans to address data quality, return to work performance, case manager capability and claims model performance; provide feedback on progress and recommendations; and review plans to implement claims model changes and provide insights on areas of focus for transition.</p> <p>Our Improvement Program is a long-term body of work to be implemented and embedded over several years, comparable to improvement programs in other contexts (for example, CBA's Remedial Action Plan following the Hayne Royal Commission). We anticipate seeing the benefits in the months and years to follow.</p> <p><u>Return to work rates</u></p> <p>One of the key performance metrics to indicate progress in relation to icare's Improvement Program are RTW rates. Our focus over the past 18 months has been on early intervention initiatives and building the capability of front-line case managers. This effort is starting to translate to improvement in front end RTW measures at both four and 13-week rates, with the three-month rolling average up from 62.6% last December, to 66.7% in May this year (4 weeks improving by 4.1%, 13 weeks by 2.5% and 26 weeks by 1.6%). Improving RTW rates requires addressing a complex range of factors, and we are partnering with employers, CSPs and Government agencies to significantly improve RTW rates over the next five years.</p> <p><u>New claims model</u></p> <p>A Request for Proposal to procure new CSPs to deliver claims and injury management services for the NI has closed, and evaluations are underway. The selected providers will commence operating under our new, enhanced claims model in January 2023. In the meantime, a number of enhancements have been made to improve claims services provided by EML:</p> <ul style="list-style-type: none"> • Case loads – in July 2021, changes were made to ensure that injured workers with ongoing time loss for more than a week, are allocated a dedicated case manager. This has resulted in an increase in case management staff with over two years' experience from 18 to 48 per cent as at August 2022, with case manager active case loads at target levels of 46 having reduced from 65 since January 2020. 	

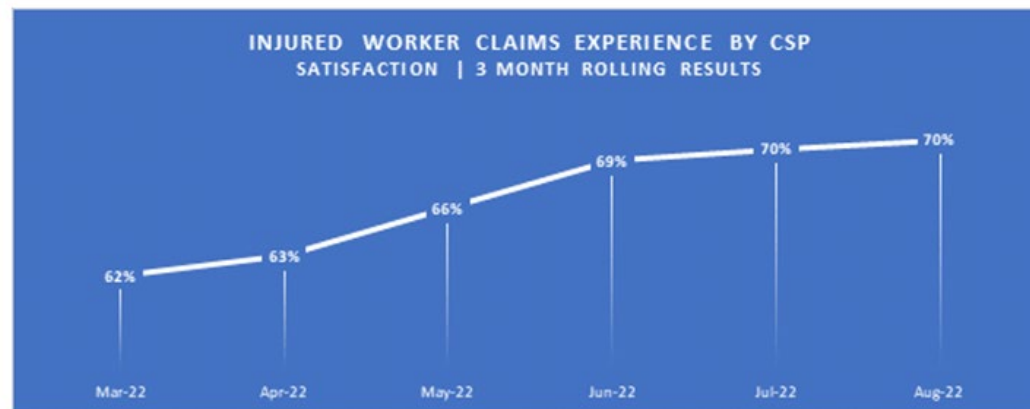
Based on the August 2022 EML Operational Report, current turnover YTD is around 19.5 per cent, against an end of year target of below 30%.

- New staff – an additional 80 case managers and 14 mobile claims managers were hired by EML last year, with mobile claims managers in regional locations such as Port Macquarie, Goulburn, Newcastle as well as in Sydney metropolitan areas.
- Complex cases – 10 Career Transition Specialists have been recruited since January this year, with targeted use of vocational rehabilitation providers to support early intervention. A 'first response' service for small to medium employers is being utilised to support early return to work planning.
- Case manager capability - investment in the professional development of case managers has included the recruitment of 22 case management capability coaches to uplift capability.

Following wide consultation with industry, icare introduced a new Professional Standards Framework in November 2021 to help and support workers compensation frontline claims professionals in servicing the workers and employers of NSW. These industry-wide standards will form part of the contracts with new CSPs.

Customer experience

The Customer Satisfaction (CSAT) score, which icare uses to measure the satisfaction of the people we serve has shown continuous improvement in the past 6 months. As at August 2022, the customer satisfaction rate has reached 70%, an increase of 8%, compared with 62% in March 2022.



	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
CSAT	62%	63%	66%	69%	70%	70%

6. What education initiatives have been employed by icare regarding the management of psychological injuries?

icare has developed a **Professional Standards Framework** for the NI and TMF schemes in partnership with our Claims Service Providers (CSPs), and in consultation with the Nominal Insurer Advisory Committee (NIAC), made up of employer and union groups, and other workers compensation jurisdictions across Australia. The Framework sets minimum expectations of competence for staff in front line claims management roles and will support their professional development and growth, allowing individuals to acquire new skills and knowledge and accelerate existing ones. We are collaborating with CSPs and other stakeholders to improve training and career pathways for front line teams, and aligned to the professional standards competency requirements.

Focusing on the upskilling of front line staff and promoting their career progression, icare has entered into a partnership with the Personal Injury Education Foundation (PIEF). In 2023, the partnership will deliver an improved accreditation pathway for claims management professionals that recognises experience and streamlines access to certificate-level learning. A shared focus on high quality vocational qualifications will also reinforce the practices, skills, and knowledge embedded in the Framework, and in turn lift workforce capabilities and the experience for customers.

A priority is the introduction of industry-wide reforms to help attract and retain highly experienced case managers who can improve experiences for workers with psychological injuries. Work is underway to

	<p>develop and deliver new benchmarks and resources to claims managers across the sector.</p> <p>We have identified priority areas as key practices to manage mental health claims and are working with CSPs to improve capability in injury management planning, liability decision making, management of the at-risk cohort, and provision of information to meet individuals' needs.</p> <p>The initial work is focused on training case managers on new methods that will improve customer experiences and outcomes, supported by regular training and file reviews.</p> <p>Later in 2022, icare will launch a Mental Health Hub that will provide a public facing set of new online tools and training resources for employers, injured workers, treatment providers and case managers, to build understanding of a specialised approach to psychological injuries.</p>	
<p>7. What supports does icare provide to employers to engage with injured workers, resolve conflict and facilitate return to work?</p>	<p>icare's Connect and Care program recognises that, after a psychological injury in the workplace, appropriate leadership is fundamental to support recovery and RTW, and to maintain people's connection with their workplace. The program was implemented in 2021 to assist the Department of Communities and Justice workers who suffered complex psychological injuries due to a riot at a youth justice centre. It has achieved significant improvements in recovery and RTW outcomes and was recognised with the 2021 Australian Business Award for Product Innovation. The program was recently adopted by the Ministry of Health and is being made available to other NSW Government agencies. A version for private sector employers is currently being piloted with four large employers, which is expected to be completed in the first half of 2023.</p> <p>For the NI, 85% of employers we support have fewer than 10 employees where there is little infrastructure to support businesses and workers in managing mental ill-health. We are supporting small businesses with initiatives such as icare's Mobile Engagement Team, which offers both online and face-to-face information forums providing advice and practical support that businesses can sign up for.</p> <p>In May 2020, icare launched a Small Business Hub on our website to provide small employers with tailored advice, including on the benefits of and ways to promote a mentally healthy workplace. It provides a range of information and resources on injury prevention, as well as evidence-based strategies to increase the likelihood for a successful recovery and RTW when an injury occurs. We also recently commenced work with the NSW Department of Customer Service's Behavioural Insights Unit, to test and build ways that we can better help small businesses with digital solutions that help prevent psychological injury.</p> <p>icare's Injury Prevention team offers mental health peer support style training programs on early</p>	

intervention. Our specialist trainers offer programs such as **Mental Health First Aid Training**, and other forms of peer-to-peer support that develop workers' mental health skills and give them the tools to look out for each other and identify when a colleague might be struggling. During 2021-22, icare provided Mental Health First Aid to 529 participants across employers and Government agencies by accredited internal and external trainers.

For customer-facing workers, icare specifically developed the **Respect and Resilience** training program. The program gives staff tools to de-escalate situations where customers are aggressive or abusive – a common cause of incidents that cause pressure and can lead to time-off work or psychological injuries. Organisations as diverse as KFC, Ikea, Nandos, The Reject Shop, Great Southern Bank, University of Newcastle, Service NSW and Taronga Zoo and Central Coast Local Health District are examples of participants of this program. More than 100 managers in Service NSW completed the program in 2022, with further training planned across this and other Government agencies in 2022-23. In the 12 months to 30 June 2022, the program was delivered to 428 participants across 30 in-person and virtual training sessions, including train-the trainer sessions for the program to be rolled out internally by employers themselves. This program will continue to be scaled in 2022-23.

In 2021, icare also initiated the **Design for Care** research and service innovation program. icare engaged the Centre for Transformative Work Design (CTWD) in consortia with Monash University and University of Sydney to investigate drivers for psychological injury in the Healthcare and Social Assistance sector and co-develop and establish an evidence base for bespoke work design interventions. This involved a pilot group of eight employers over a three-year period, with a view to scale and operationalise interventions with proven efficacy across the industry in the future. Industry funding is federally regulated and has a casualised workforce with high turnover – recruitment into the pilot by CTWD and University of Sydney has been well subscribed as employers seek support in identifying work design factors that are within their control and improving support available to the workforce.

Isolation experienced during COVID-19 is linked to extra mental health pressures for many in the NSW workforce. icare is **funding academic research** to examining this issue in disadvantaged communities, such as South-West Sydney and regional NSW. icare has targeted resources and support at employers in these communities. More research into industries and sectors under pressure is expected to emerge in late 2022.

8. Noting that the TMF has a high proportion of psychological claims, and significant claim costs, what specific strategies are being implemented to address this?

Front of Mind is a \$9.5 million research program that commenced in 2020, involving five years of workplace-focused studies funded by icare and independent research being led by organisations like the Black Dog Institute and University of NSW's Traumatic Stress Clinic, an international leading research treatment clinic for post-traumatic stress disorder (PTSD). A series of pilot programs are underway, all with an aim of develop a research-backed integrated ecosystem of end-to-end prevention and early intervention programs. This includes work with the Black Dog Institute and NSW Police to introduce a new Manager Training program, that will help frontline leaders identify early signs of mental health issue like PTSD in team members and enabling early help-seeking and intervention.

'SIFT', a new mental health screening program is underway with the Black Dog Institute and Fire and Rescue NSW. Researchers are evaluating a trial of an online application to screen first responders for psychological distress and provide tailored feedback to improve appropriate help-seeking behaviours. The trial has recruited over 400 firefighters to-date with analysis of the results to be expected in 2023.

Other work includes refreshing the Work Injury Screening and Early intervention (otherwise known as the **WISE Program**), for TMF Agencies and providing extensive training and learning to support NSW Public Sector employees to maintain their own mental health and support mental well-being in others (including through Mental Health First Aid, Leading with Psychological Safety and Mental Health Peer Connect programs); frontline staff and improve injury recovery.

icare's support of research is leading to ongoing initiatives to examine the links between fitness, wellbeing and resilience. Our **Tactical Athlete Resilience Program (TARP)** research pilot was initially conducted with UTS, the South Sydney NRL club and Fire and Rescue NSW, and measured the impact of providing professional training to frontline firefighters. This has led to an expansion of the program in 2022, and a launch of a wider TARP program involving more sporting clubs working with firefighters is expected to be announced by Fire and Rescue NSW later this year.

We have recently engaged with the NSW Public Service Commission and Safework NSW on the psychological trends across participants in the TMF, to support opportunities for an increased focus and accountability in management and minimise psychosocial risk in the workplace.

The contracts with our new CSPs will incorporate new approaches that have been piloted in 2022 through the NI Improvement Program. These measures are designed to improve the experiences of customers with psychological injuries, improving their treatments and boosting recovery. It includes the introduction of measures to improve claims performance by establishing good practices and targeting the largest levers of improved outcomes.

icare is establishing a **‘test and learn’ team** to identify and implement better claims practice, informed by *Safe Work Australia’s Taking Action: A best practice framework* for the management of psychological claims in the Australian workers compensation sector. The team’s purpose is to pilot particular initiatives that are scalable, prior to roll-out across the scheme. It will consider ways of working, and claims practices specific to psychological injury claims including approaches to decision making and emphasis on recovery and RTW; manage primary psychological injury claims for employers who have not had a claim previously; undertake activities that are evidence informed, and will include input from experts in medical treatment, workers compensation schemes and RTW practices; conduct a formal evaluation of the effectiveness of the practices and share the results in the future; and operate in parallel with any appointed Specialist CSPs and seek to learn from each other.

Through **Risk Education Express (REX)**, icare provides training and education programs that support NSW Government Agencies build individual and workplace capabilities to improve outcomes for injured workers and to increase workplace safety. We have a strong workplace health and safety and mental health curriculum specifically aimed at creating psychologically safe workplaces to prevent psychological injury and to provide high value support to psychologically injured workers in their recovery at work. Over the past year we have provided programs to 600 participants from 69 Agencies aimed at uplifting capability in areas to improve the prevention and return to work outcomes for psychological injury. These programs include Creating Mentally Health Workplaces, Mental Health First Aid, Managing Vicarious Trauma, Beating Burnout and WHS & Wellbeing Peer Connect.

The **Connect and Care program** strengthens leader-injured worker relationships in agencies exposed to complex trauma. The program equips managers with an understanding of workers’ compensation and the impacts of trauma. It also provides a refresher on key people skills, and a practical checklist to comprehensively support injured worker recovery. It features three two-hour workshops with and pre-and post-workshop activities. Agencies can request an icare facilitated program or participate in Train the Trainer to deliver the program themselves. To date, we have delivered 6 train the trainers with 84 participants from 15 different agencies participating in the program. icare is also investing in identifying prevention and early intervention approaches that can either eliminate or reduce the workplace impacts of psychological injuries. We have a range of specific interventions, and in recent years have developed a suite of initiatives and support for both private sector and Government employers.