

## **INQUIRY INTO 2022 REVIEW OF THE WORKERS COMPENSATION SCHEME**

**Organisation:** State Insurance Regulatory Authority (SIRA)

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SIRA

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# 2022 Review of the Workers Compensation Scheme

Submission to the Standing  
Committee on Law and Justice

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# About SIRA

The State Insurance Regulatory Authority (SIRA) was established in 2015 to steward and regulate the State's statutory insurance and care schemes — workers compensation, motor accidents, and home building compensation. It is a small agency with a large remit of ensuring that *NSW insurance schemes protect and support the people who need them, now and in the future.*

SIRA's role in the State's insurance and care schemes is to:

- ensure that access to compensation is balanced with affordability of insurance and the efficiency and viability of the schemes
- minimise the cost to the community of workplace and motor accident injuries, and the risks associated with the injuries
- ensure that persons covered by the schemes have access to treatment that will assist their recovery
- lead the strategic development and effective oversight of NSW insurance and care schemes
- promote the effective management of claims
- promote the efficient and effective management and resolution of disputes and complaints
- promote workplace injury prevention, effective injury management and return to work measures and programs
- oversee and monitoring compliance with legislation
- collect, analyse and publish data relating to performance
- advise the Minister on appropriate strategies, policies, and practices.

Pursuant to section 20(4) of the *State Insurance and Care Governance Act 2015*, SIRA is not, in the exercise of its functions, subject to the control and direction of the Minister.

SIRA launched a new strategy, SIRA2025, in March this year. The strategy sets out a series of goals and strategic priorities that will enable SIRA to use the full range of scheme stewardship, design, and regulatory functions to deliver better outcomes for customers. Holding regulated

entities to account for outcomes, putting the customer at the centre, and data and digital, are important elements of the strategy.

One way that SIRA is holding regulated entities to account for outcomes is through its new Regulatory Publishing Policy. This policy commits SIRA to publishing more information about insurers, employers, healthcare providers, and other regulated entities operating within the schemes to advance accountability and transparency. The policy will expand the impact of SIRA's powers and, over time, deter sub-standard performance and increase compliance. Ultimately, this leads to better outcomes for customers.

SIRA continues to make detailed scheme performance data available via an interactive Open Data Portal on its website. Plans are in place to improve the granularity, currency, and presentation of the data. SIRA publishes quarterly regulatory updates on the insurance and care schemes, and the results of an annual survey of customers, which shows customers' experience with the claims process, trust in the system, and the extent to which insurers uphold SIRA-mandated Customer Service Conduct Principles.

SIRA's rich workers compensation claim and payment datasets are being used to build models that identify people that may be at higher risk of a delayed recovery. The predictive modelling allows SIRA to target employers with workers who may be at higher risk and seek to provide support and education. This occurs through outbound calls, site-visits, and the provision of information to improve workers' recovery and return to work outcomes.

SIRA is investing heavily in its regulatory intelligence, data, and analytics capability. This work aims to ensure that SIRA has the right data and insights to inform its regulatory actions and scheme design to deliver optimal outcomes and impact. Work is underway on a new data and analytics platform that will enable near real-time data collection on all claims by the end of 2022-23. The new platform will allow SIRA to identify and respond to scheme risks and potential non-compliance faster and better monitor the quality of customer experience.

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# Introduction

The NSW workers compensation scheme is largest defined benefit scheme in Australia, covering more than 4.4 million workers and funded by more than 330,000 employers. Over recent years the challenges facing the scheme have been well ventilated through the Independent Compliance and Performance Review of the Nominal Insurer (Dore Review) and Robert McDougall's Independent Review of icare and *State Insurance and Care Governance Act 2015* (McDougall Review). Together, the reviews provided deep insight into the complex issues in the NSW workers compensation scheme, including psychological injury.

The NSW Government accepted the recommendations of the McDougall Review, including recommendation 34 to review and reconcile the existing workers compensation legislation. Many of the existing challenges will not be resolved without legislation that delivers a modern and fit-for-purpose workers compensation scheme.

Good progress has been made on implementing the operational recommendations of the McDougall Review. However, data is not yet showing a sustainable improvement in key indicators of scheme health. Return to work rates continue to be below historic levels, system costs are rising without a corresponding improvement in recovery outcomes, and the financial performance of the scheme is deteriorating.

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## Return to work

In 2015, almost nine out of 10 injured workers were back at work within 13 weeks, compared to eight in 10 workers today. Staying at work, or early return to work after an injury, supports the best possible health and social outcomes. Delayed return to work has serious implications for injured people. The longer a person is away from work, the less likely they are to return.

## Claims payments

Claim payments across the workers compensation scheme are increasing. Between 2015 and 2021, total payments increased by 60%, weekly payments rose by 76%, lump sum payments were up by 87%, and common law settlements grew by 43%. These trends exist despite the number of total new claims remaining relatively steady.

## Healthcare costs

Healthcare costs increased sharply between 2017 and 2019, with the rate of growth slowing thereafter. For 2018-19 costs were 19% higher than the previous year, and 2020-21 reported a lower 9.8% increase. The slower rate of growth was due to reduced access to hospitals and surgery during COVID-19 and SIRA's focus on driving value-based healthcare following the Healthcare Review. The review found that the combination of each person accessing more healthcare services and claims staying open for longer accounted for 81% of the additional healthcare expenditure in 2019.

## Scheme financial performance

Increasing claims liabilities, coupled with declining return to work performance and recent economic conditions, have significantly impacted the financial performance of the scheme. As at May 2021, the Nominal Insurer's insurance ratio was 123%. As at 31 May 2022, it was 105%.

The McDougall Review recognised that premium increases would greatly assist in assuring the long-term sustainability of the Nominal Insurer. The Nominal Insurer's premiums are rising by 2.9% in 2022-23 to prioritise the short-term affordability of workers compensation policies given the impacts of COVID-19 and recent natural disasters. This means that the costs associated with returning the workers compensation scheme to a sustainable financial position will be incurred by employers over the longer term.

## COVID-19

COVID-19 has placed pressure on claims management practices, access to healthcare, in-person assessments and hearings, and return to work opportunities. As at 31 May 2022, insurers had reported 11,559 COVID-19 related claims to SIRA. Total payments on these claims were \$40 million, with an expected gross cost of \$84 million.

## Changing nature of injuries

The nature of workplace injuries is changing. While total claim numbers have remained relatively steady, there has been a decline in physical injury claims and an increase in the number of psychological injury claims. Claims for psychological injuries represented 8% of new claims in 2020-21, compared with 5% a decade ago.

The growth in psychological injury claims is consistent with societal patterns. The enclosed data shows that people with a psychological injury experience a significantly poorer recovery trajectory than those with physical injuries.

The management of psychological injury claims is complex. They present unique challenges that are different from those faced by people with physical injuries. Similarly, people with physical injuries can have their own psychological barriers that impact their recovery and return to work. Understanding and addressing this complexity is essential to improve recovery and return to work outcomes.

There is clear evidence that early intervention, providing the right support at the right time, and avoiding an adversarial approach, leads to measurably better outcomes. SIRA's research has informed various standards set for insurers and health providers on how they can design and deliver supports for people with or at risk of psychological injury.

# Scheme snapshot

**4.4 million** workers covered

**100,000** claims each year

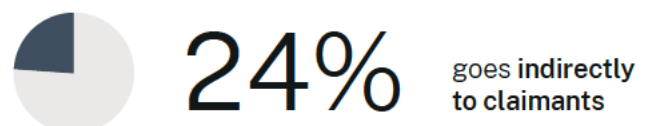
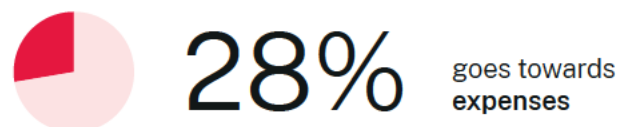
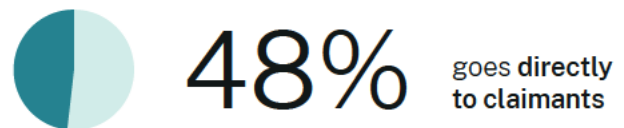
**300,000** employers


**\$4.4 billion**  
in premiums collected




**\$4.2 billion**  
in payments made

Of the benefits paid to workers,



 **92%** Nominal insurer funding ratio as at 31/5/22

 **105%** Nominal insurer insurance ratio as at 31/5/22

Average yearly payment per claim is

**\$14k** for non-psychological claims

**\$46k** for primary psychological claims

**\$80k** for physical injury with psychological payments

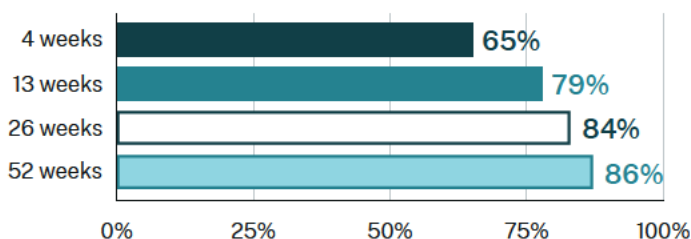
**1 in 10** active claims are primary psychological claims



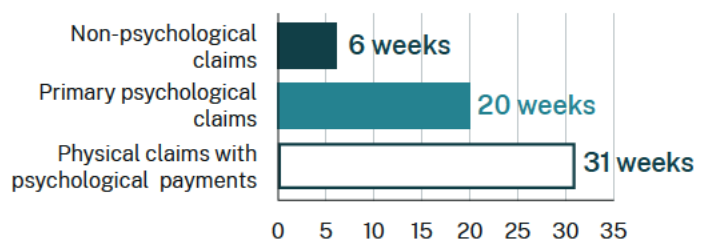
**1 in 20** active claims are physical injury claims with psychological payments



Scheme return to work rate



Average weeks lost



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# Primary psychological injuries

**Primary psychological injury** is defined in section 65A(5) of the *Workers Compensation Act 1987* as a psychological injury that is not a secondary psychological injury. Primary psychological injuries can be caused by incidents and events in the workplace that can trigger psychological reactions in workers and lead to a claim for psychological injury.

The volume of people with psychological injuries in the NSW worker compensation scheme has increased over recent years in line with societal shifts. This trend is also evident in other workers compensation jurisdictions.

Delayed return to work has always been more challenging for psychological claims, and the gap between outcomes for people with physical and psychological injuries is widening. In 2020-21, people with a physical injury are almost twice as likely to be back at work in 52 weeks as those with a psychological injury. Frontline workers, employees of smaller businesses, and regional workers are particularly vulnerable to delayed return to work. People with a psychological injury are overrepresented in disputes, and frequently feel the need to justify the legitimacy of their injury and treatments needs.

There is no doubt that achieving good outcomes for people that have suffered an injury due to workplace bullying, harassment, or work-related stress, is harder than supporting someone with a physical injury. But it is a challenge that must be addressed. While it is true that new psychological claims have increased, they still only represent 8% of new claims in the scheme, and 6% of new claims under the Nominal Insurer.

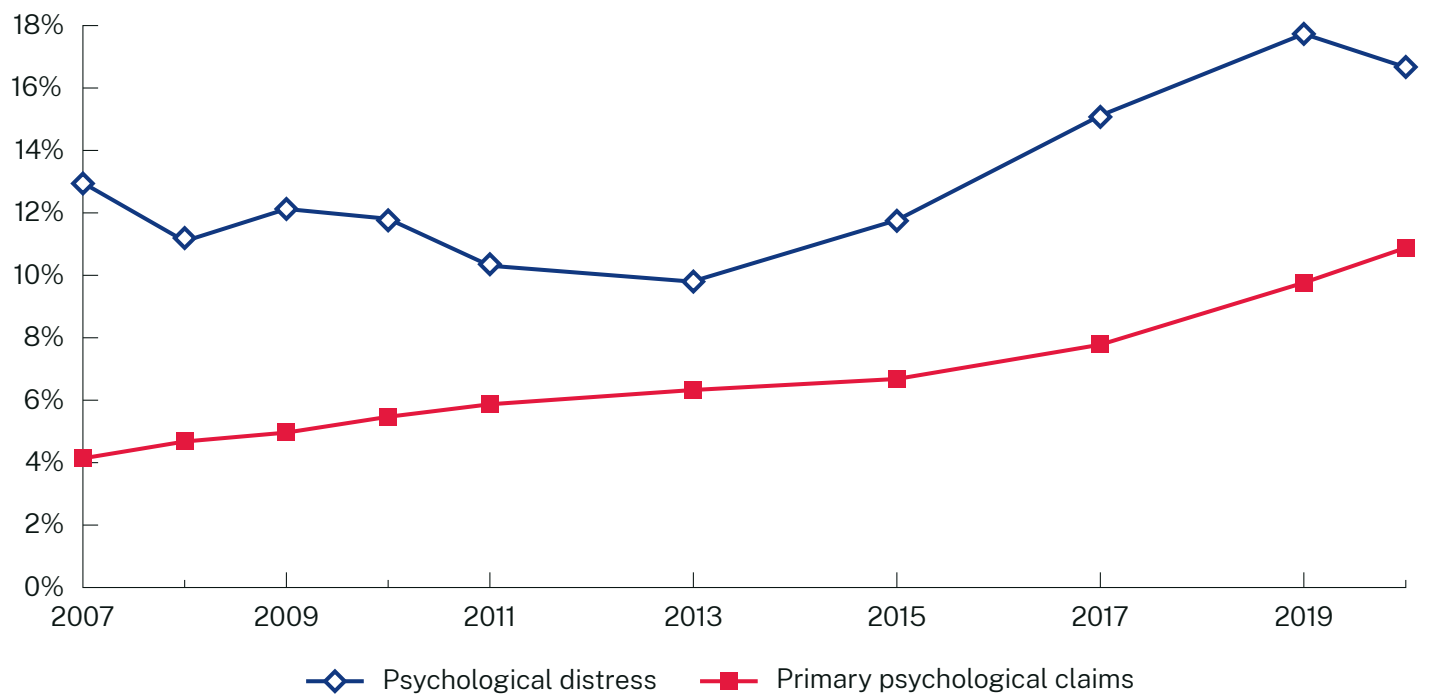
# The increase in primary psychological injury claims is consistent with societal trends

The number of workers compensation claims made each year has remained relatively stable over the past decade. However, the nature of injuries is changing. The number of people with physical injuries has declined, and people with psychological injuries are on the rise.

The changing pattern of workplace injuries is consistent with increased psychological distress in the community. In 2020, the NSW Population Health Survey found that nearly 17% of people had recently experienced high or very high psychological distress, as compared to 10% in 2013.

Data collected through the SIRA commissioned [Regulatory Measurement of Customer Experience and Outcomes Study](#) paints a similar picture. One in five people that made a claim between 1 April 2019 and 31 March 2020 were assessed against the Kessler 6 Psychological Distress Scale as having a probable serious mental illness

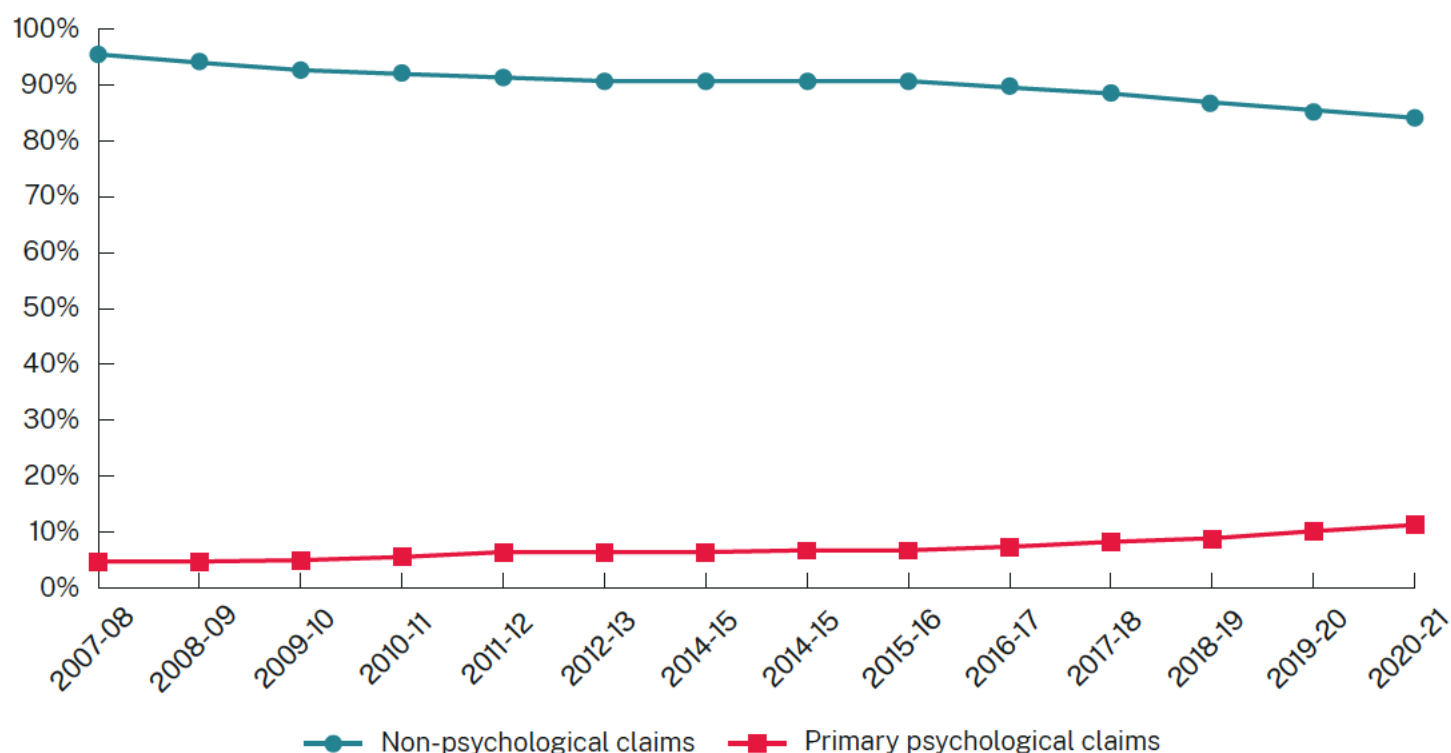
**Graph 1: Psychological distress in the NSW population versus primary psychological claims as a percentage total of claims**



# New and active primary psychological injury claims are increasing

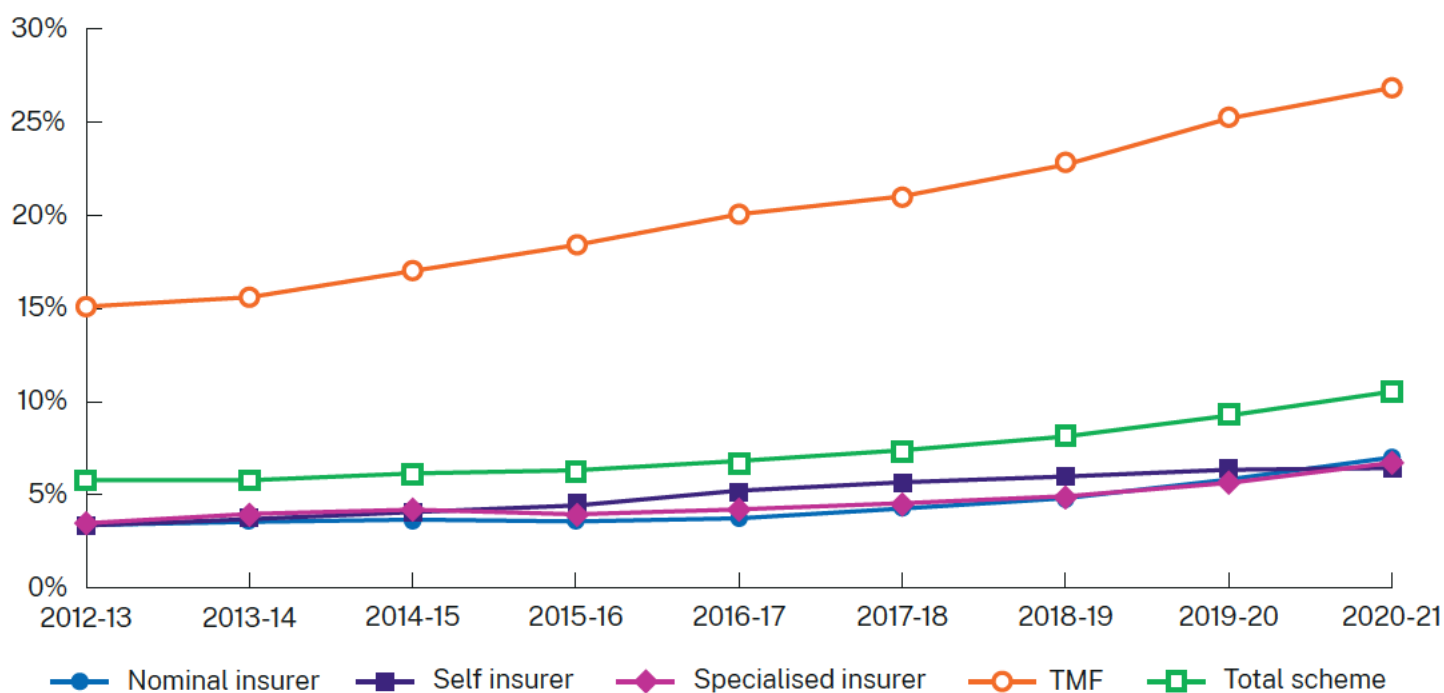
From 2012 to 2016, people with psychological injury claims made up 5% of new claims and 6% of active claims. By 2020-21 that had increased to 8% of new claims and 11% of active claims.

**Graph 2: Percentage of total new claims in each category**



The increase in people with psychological injury claims has been experienced differently across insurer groups. A detailed breakdown of these claims across different insurer groups is included in Table 7 at Appendix A.

**Graph 3: Active primary psychological claims as a percentage of total active claims**



**Table 1: Comparison of new and active primary psychological claims in 2012-13 and 2020-21**

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%
<b>Total</b>	<b>5100</b>	<b>13378</b>	<b>6%</b>	<b>8311</b>	<b>20603</b>	<b>11%</b>

## NSW Government employers are disproportionately represented in primary psychological injury claims

The public sector workforce has traditionally had the highest percentage of people with psychological injury claims given the nature of the work they perform, and that remains true today.

In 2016-17, 20% of all active Treasury Managed Fund (TMF) claims were for psychological injuries, as compared to 27% in 2020-21.

In 2020-21, 2.7% of the NSW public sector workforce had an active psychological injury claim.

Today, TMF agencies account for 18% of all active claims and 46% of all active primary psychological claims in the workers compensation scheme. The vast majority of those claims are with the Stronger Communities, Education and Health clusters.

**Table 2: New TMF primary psychological claims from 2016-17**

Cluster	2016-17	2017-18	2018-19	2019-20	2020-21	% of psychological claims in 2020-21
Stronger communities	852	884	1153	1177	1496	45.3%
Education	712	740	971	869	1026	31.1%
Health	419	489	621	635	684	20.7%
Transport	32	29	34	34	42	1.3%
Planning	27	29	26	37	32	1%
Customer service	31	29	40	15	21	0.6%
<b>Total TMF</b>	<b>2073</b>	<b>2200</b>	<b>2821</b>	<b>2767</b>	<b>3301</b>	<b>27%</b>

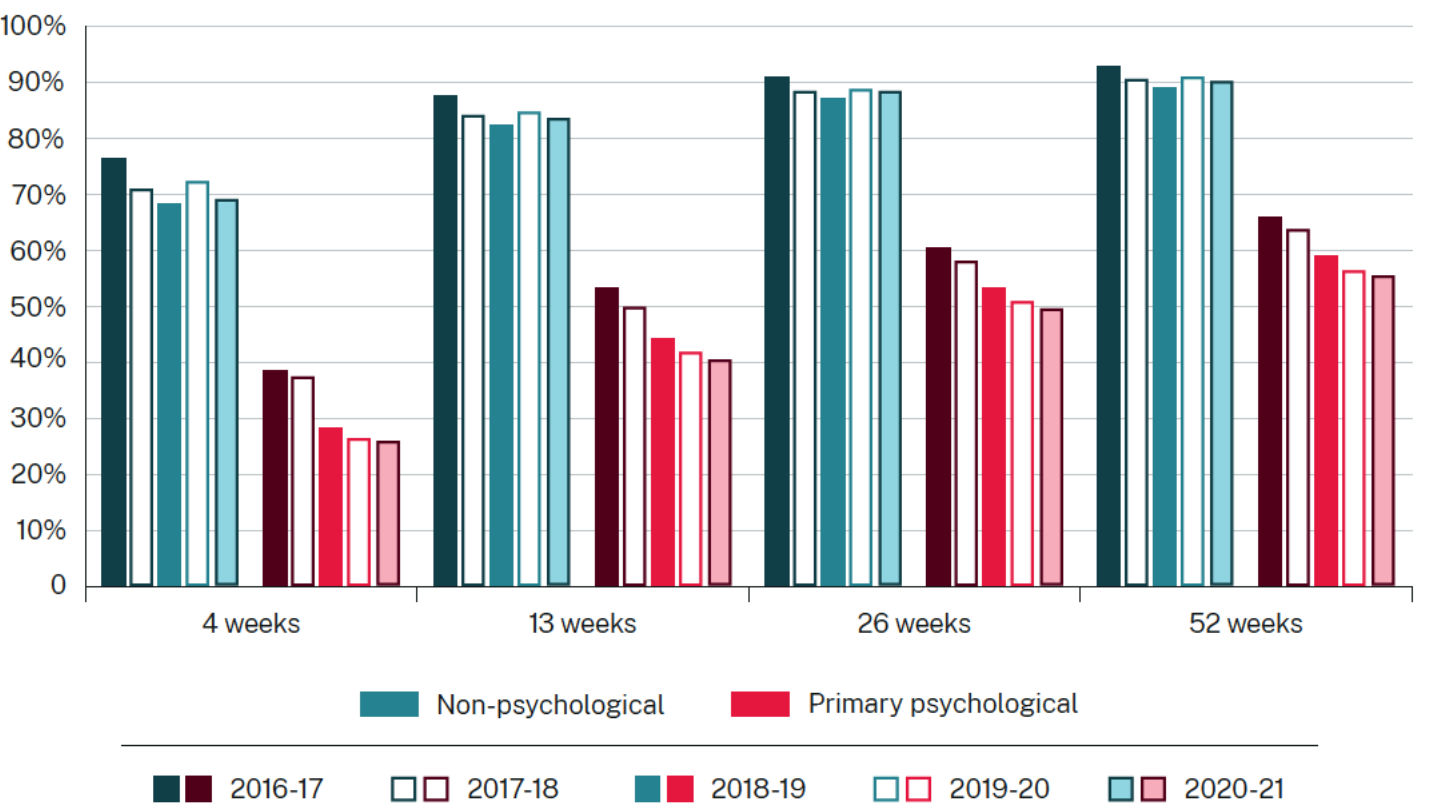
# Return to work rates are declining for people with a primary psychological injury

Return to work rates have been declining across the workers compensation scheme in recent years. This issue is more pronounced for people with psychological injury claims.

**Table 3: Change in the return to work rate for all claims and primary psychological claims from 2016-17**

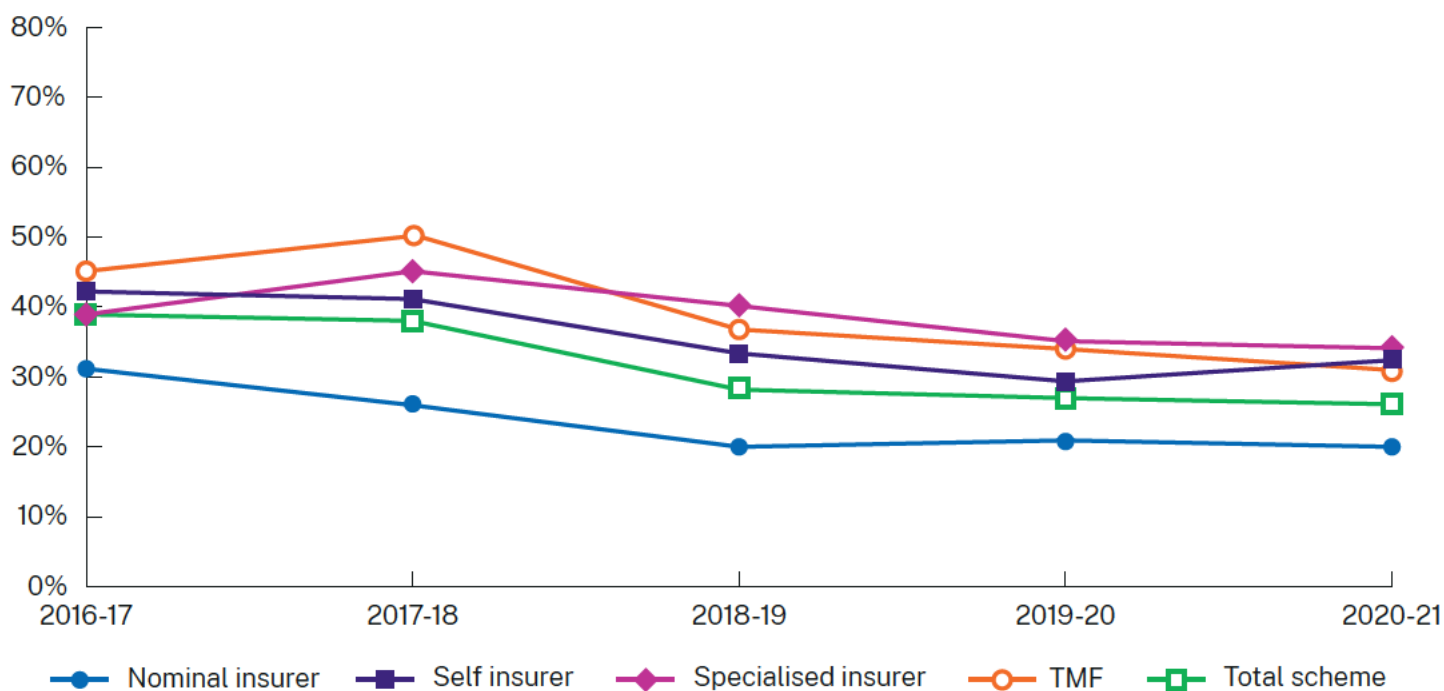
Duration	All claims	Psychological claims
4 weeks	-9%	-13%
13 weeks	-7%	-12%
26 weeks	-5%	-9%
52 weeks	-5%	-10%

**Graph 4: Return to work for primary psychological and non-psychological claims**

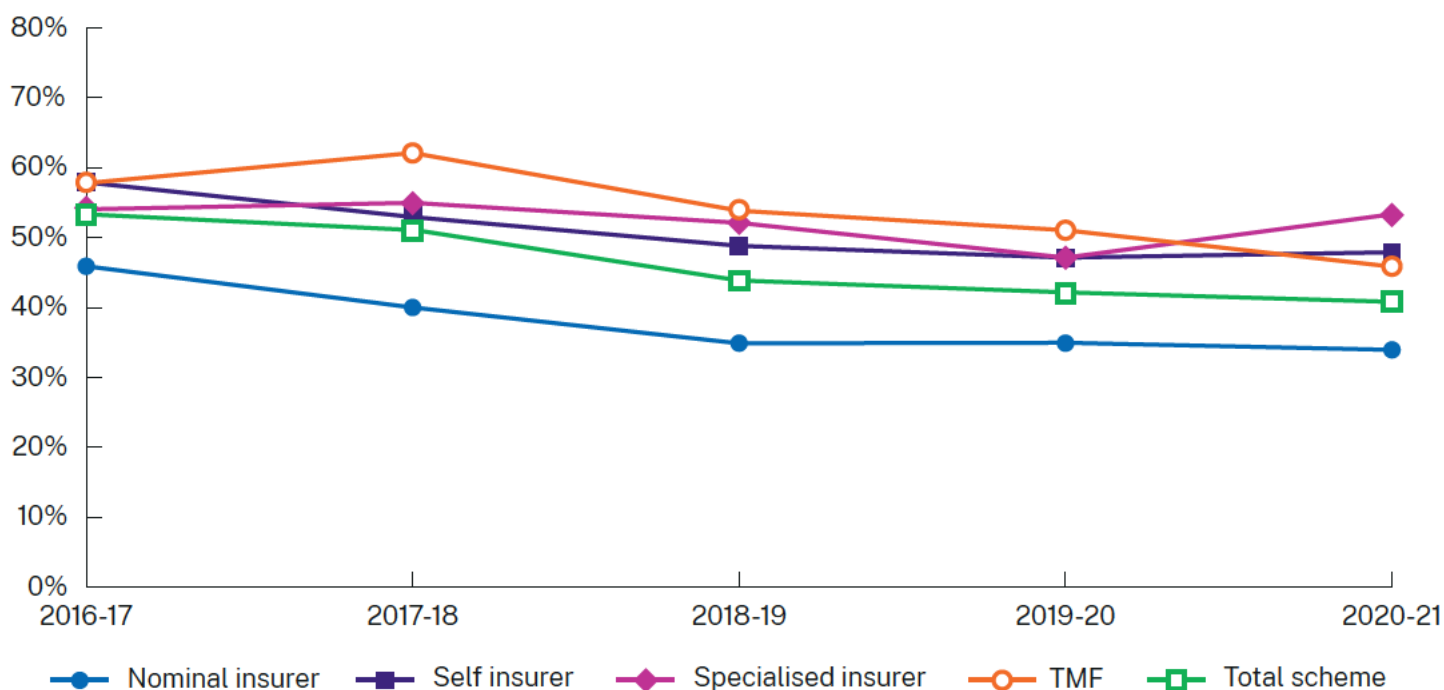


The Nominal Insurer, TMF, self and specialised insurers have all experienced a significant downward trend in return to work rates for people with a psychological injury across four, 13, 26 and 52 weeks. The graphs below show return to work rates for each insurer group and Table 8 at Appendix A includes a detailed breakdown for both psychological and non-psychological injuries.

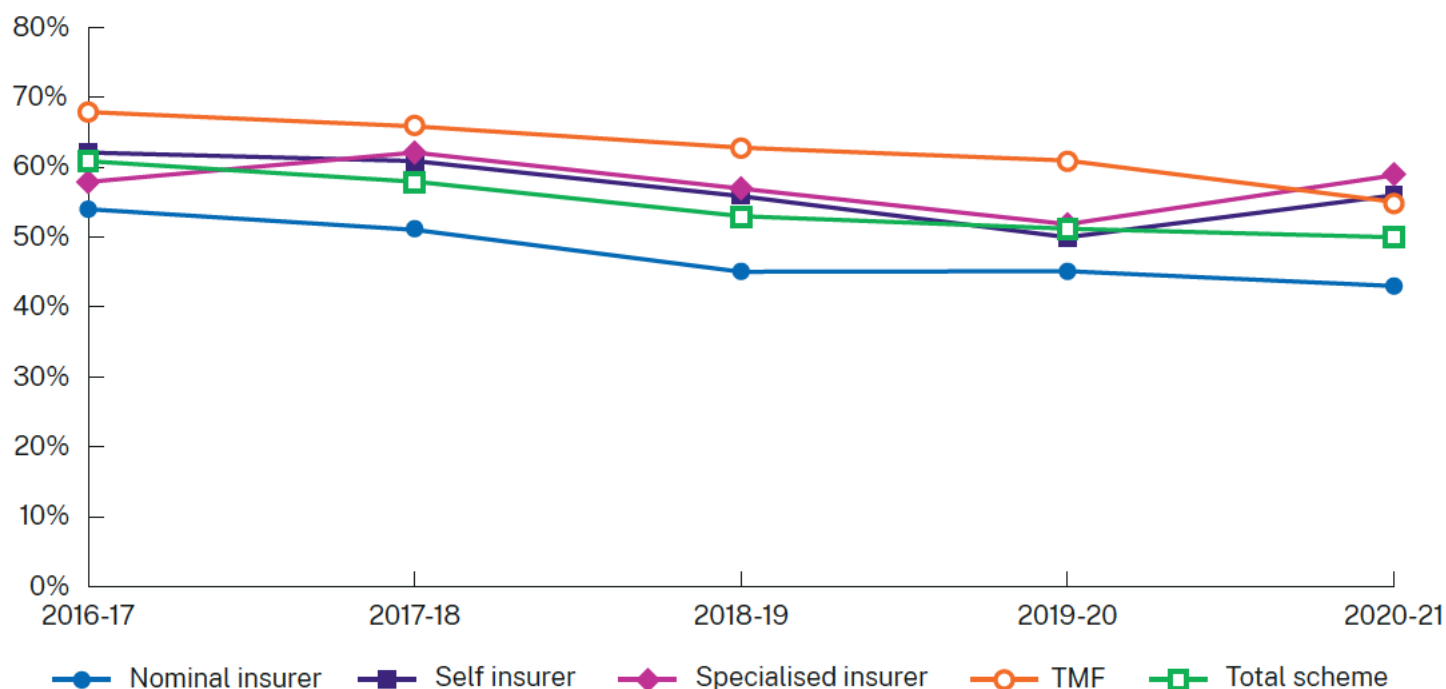
**Graph 5: Return to work rates for primary psychological claims at four weeks by insurer type**



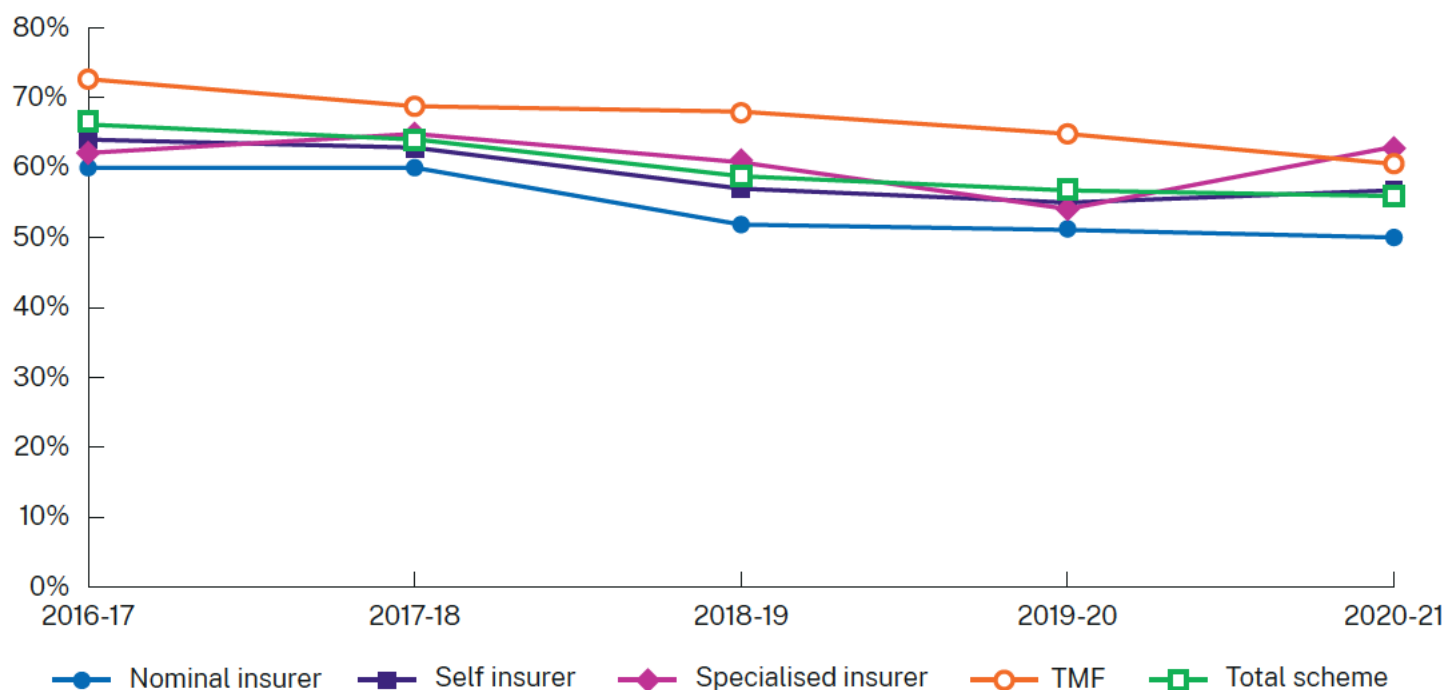
**Graph 6: Return to work rates for primary psychological claims at 13 weeks by insurer type**



**Graph 7: Return to work rates for primary psychological claims at 26 weeks by insurer type**



**Graph 8: Return to work rates for primary psychological claims at 52 weeks by insurer type**



## Liability for primary psychological injury claims is being accepted more often

In 2020-21, liability was accepted on 72% of primary psychological injury claims as compared to 65% in 2016-17.

**Table 4: Liability status of primary psychological claims from 2016-17**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21
Liability accepted	65%	70%	72%	72%	72%
Liability denied	21%	17%	14%	14%	14%
Reasonably excused	11%	10%	9%	9%	9%
Other	3%	4%	5%	4%	4%

Work-related harassment and/or bullying and work pressure are the two most common reasons for people lodging a primary psychological injury claim. In 2020-21, liability was accepted on 66% of claims related to workplace harassment and/or bullying as compared with 53% in 2016-17. For psychological injury claims associated with work pressure, liability was accepted for 75% of claims in 2020-21 compared to 62% in 2016-17.

The total payments on claims for primary psychological injury claims broken down by liability status is included in Table 12 at Appendix A.

## The cost of primary psychological injury claims is increasing

As at 2020-21, active primary psychological injury claims accounted for 23% of claim payments as compared to 16% in 2016-17.

**Table 5: Total payments on primary psychological claims from 2016-17**

Financial year	Total payments of active claims	Total payments of active primary psychological claims	% of payment of active primary psychological claims of the total active claims payment
2016-17	\$2,847,552,905	\$442,416,006	16%
2017-18	\$2,919,524,138	\$484,003,805	17%
2018-19	\$3,239,326,389	\$576,232,218	18%
2019-20	\$3,690,009,646	\$757,517,564	21%
2020-21	\$4,221,415,315	\$950,353,229	23%

The top three industries for primary psychological claims in 2020-21 made up almost 60% of total costs. Costs for the top three industries are below and industry level payment data is included in Tables 25-29 at Appendix A.

**Table 6: Total payments on top three industries for primary psychological claims in 2016-17 and 2020-21**

Industry	2016-17	2020-21
Public administration and safety	\$97,626,936	\$259,572,188
Education and training	\$36,528,329	\$104,357,579
Healthcare and social assistance	\$55,604,366	\$176,595,307

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# Psychological distress among people with physical injury claims

**Secondary psychological injury** is defined in section 65A(5) of the *Workers Compensation Act 1987* as a psychological injury to the extent that it arises as a consequence of, or secondary to, a physical injury.

People can suffer psychological distress during a claim in response to their physical injury (particularly back and head injuries), or as a result of their experience with the compensation process. For example, high case manager turnover, delays in decision-making and accessing treatment, and adversarial processes contribute to psychological distress.

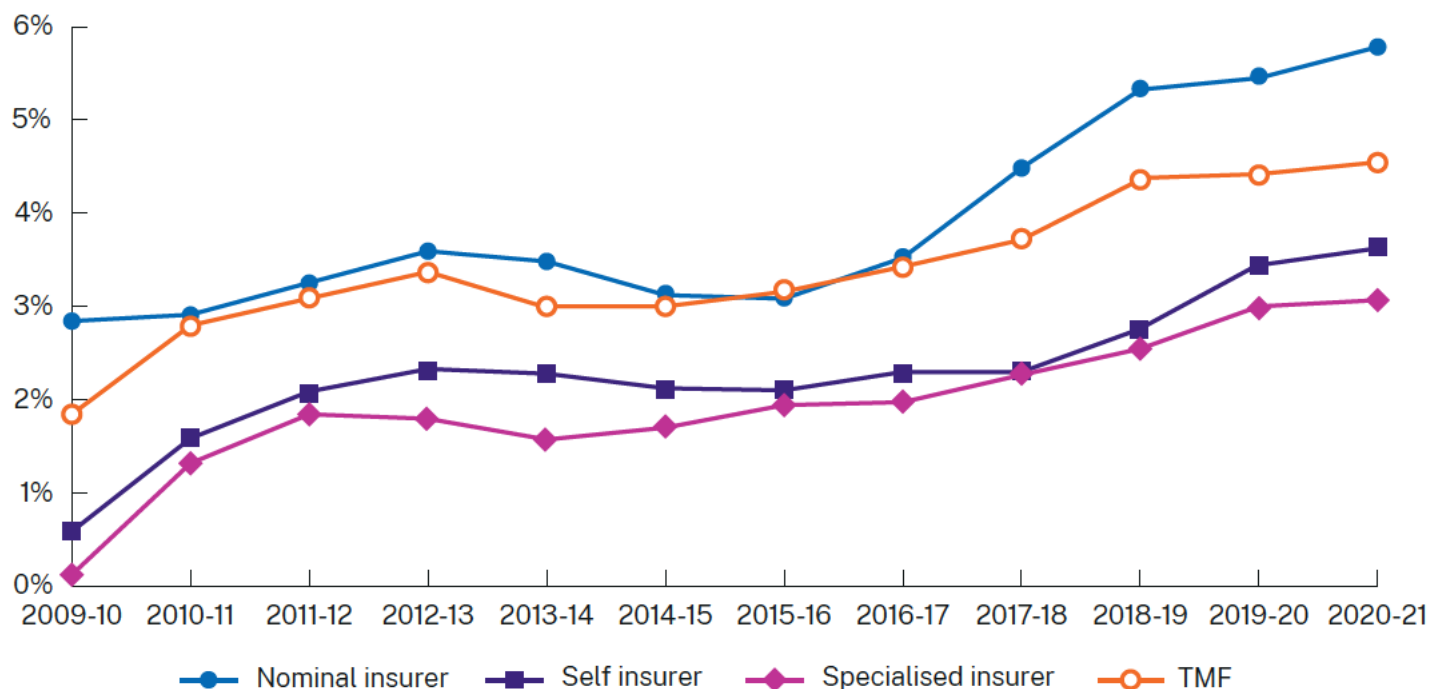
Insurers do not currently provide data on diagnosed secondary psychological injury. Further work is underway to better understand this issue and improve data capture. SIRA does, however, analyse the number of physical claims that include one or more payments for psychological services which is indicative of psychological distress.

In many cases accessing psychological support following a physical injury can be a positive and necessary part of a healthcare package. However, when a physical injury is accompanied by psychological distress, the recovery trajectory is likely to be significantly impacted.

## The number of physical injury claims with payments for psychological services is increasing

The number of physical injury claims with at least one payment for a psychological service has increased across the scheme since 2015-16. The increase is apparent across all insurer types and is more pronounced with the Nominal Insurer.

**Graph 9: Physical injury claims with psychological payments as a percentage of total claims**

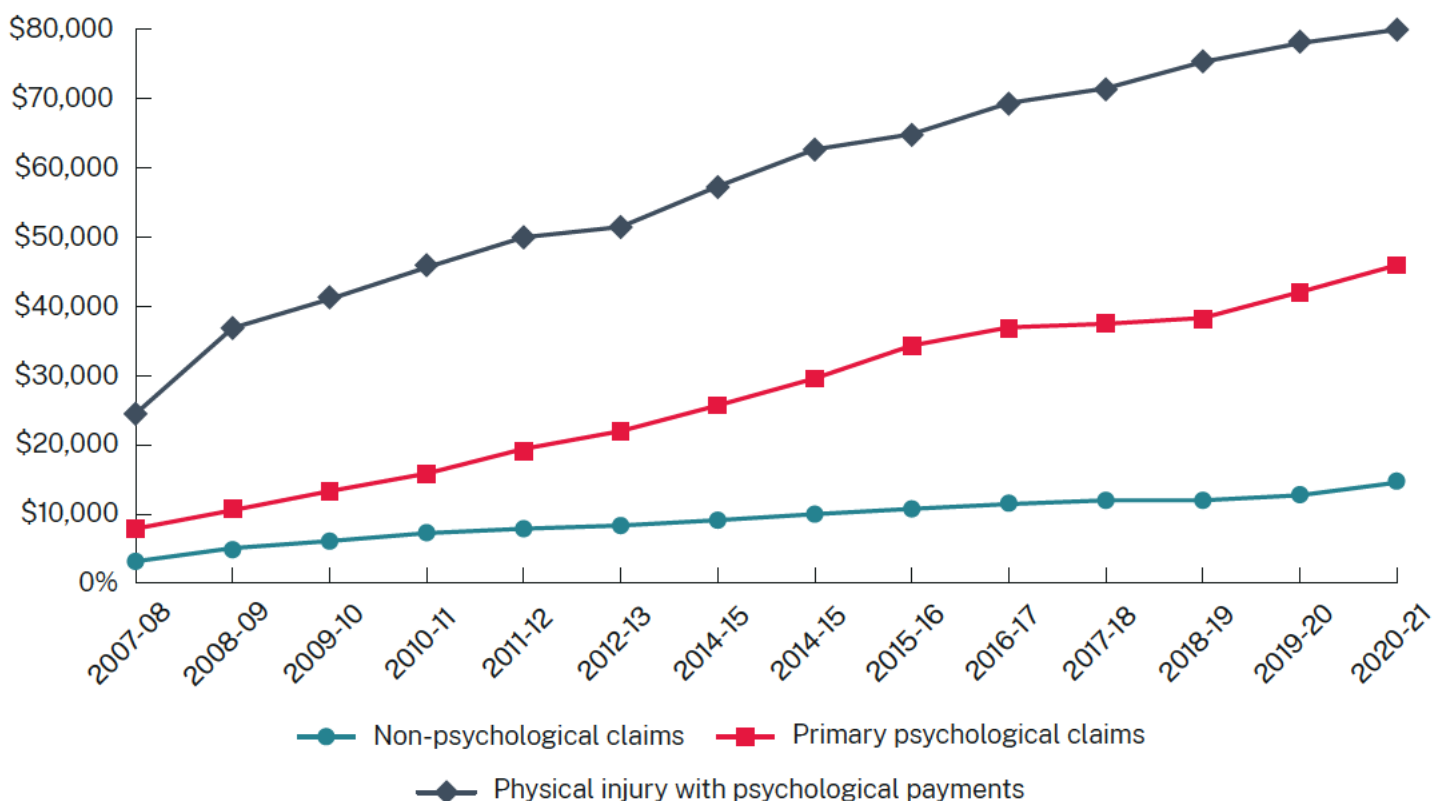


COVID-19 contributed to higher-than-average use of psychological and counselling services during the major waves in quarter four of 2020 and quarter one of 2022. As a result, allied health costs were a key driver of healthcare expenditure throughout this period.

## The cost of physical injury claims that access psychological services is growing

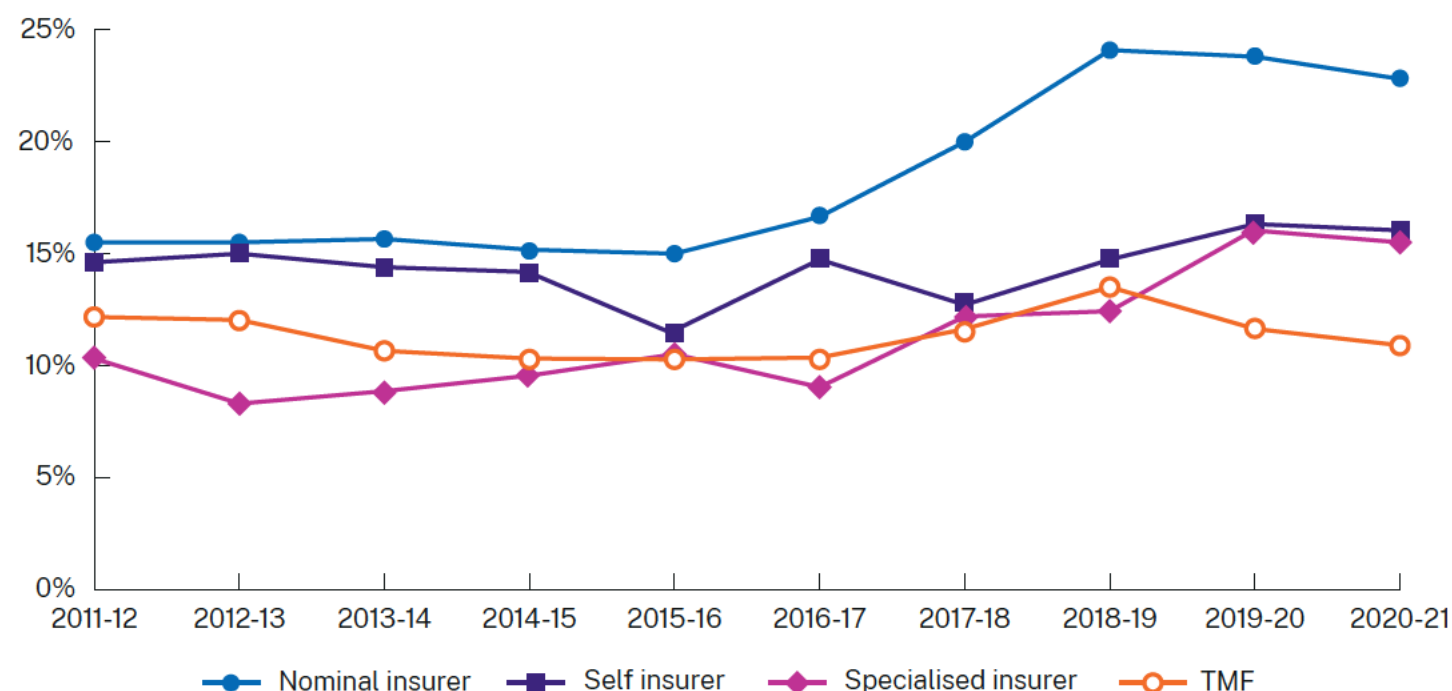
Costs of physical injury claims that include psychological services are six times higher than those that don't. Total payments on these claims in 2020-21 was \$824 million. Psychological services represented 14% of the total payments.

**Graph 10: Average claim payments for each claim type**



The increase in payments is apparent across all insurer groups, with the Nominal Insurer recording the sharpest increase.

**Graph 11: Payments on physical injury claims that access psychological services as a percentage of total payments by insurer**



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## The risk factors for psychological distress

There are many factors that can impact a person's recovery and their likelihood of experiencing psychological distress following an injury or illness. These factors include those related to the compensation process, the support of their workplace, and personal factors such as a person's own expectations of recovery, and ability to return to work. These factors can be assessed through screening assessments at claim lodgement to inform support requirements, including the requirements for psychological support.

SIRA's data also highlights other factors that make a person with a physical injury more likely to require psychological services, including:

- The person worked in a **high-risk industry**. Data post July 2011 shows that the top five industries for people with physical injuries accessing psychological services are health care and social assistance; construction; manufacturing; transport, postal and warehousing; and the retail trade.
- The person worked in a **high-risk occupation**. Data post July 2011 shows that the top five occupations for people with physical injuries accessing psychological services are labourers; community and personal service workers; machine operators and drivers; technicians and trades workers; and professionals.
- The person suffered **injuries of the spine or head**. Data post July 2011 shows that 26% of people with physical injury claims who access psychological services had an injury to the nerves and spinal cord and 23% had intracranial injuries.
- The person received **early access to medication**. Data over a period of 14 years shows that people who receive medication within two months are 10 times more likely to access psychological services than those with no early medications.
- The person is subject to an **early investigation of their claim**. Data over a period of 14 years shows that people who have payments for assessment of work capacity and ability to earn within two months are eight times more likely to access psychological services.

Workers compensation insurers can screen for these risk factors to identify claims that require early intervention and support. SIRA has applied this approach in its predictive modelling and set the same expectation of insurers in its guidance and standards.

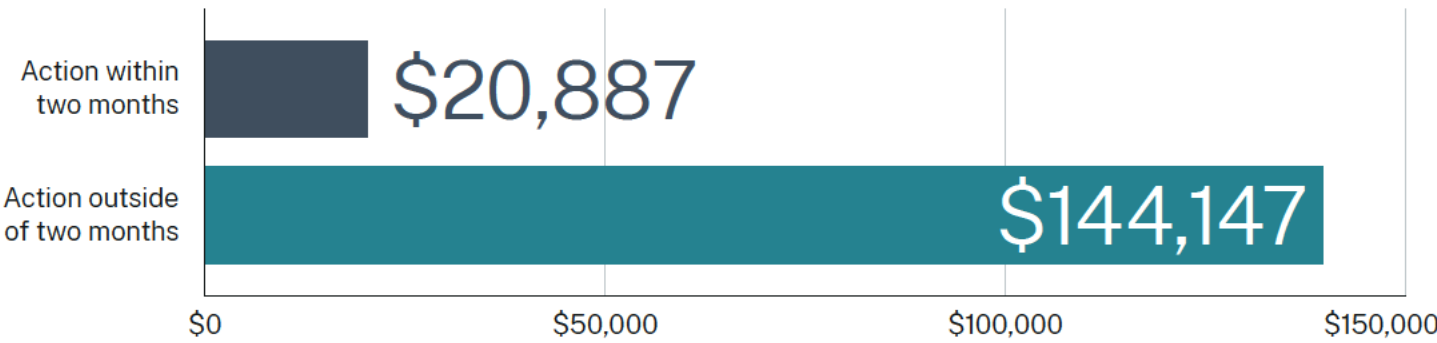
# The impact of early intervention

There are measurable benefits for people with physical injury claims accessing psychological interventions sooner rather than later. The chart below shows a significant difference in claims costs where psychological services were accessed later in the claim.

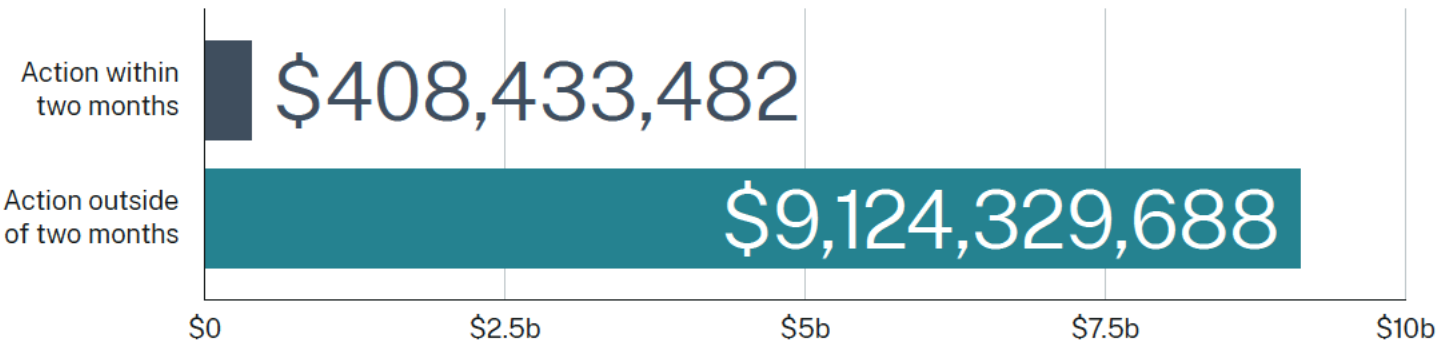
Similarly, people who received psychological payments within two months were 1.5 times more likely to return to work. This data underscores the importance of early access to psychological services to improve recovery outcomes and reduce claims costs.

**Graph 12: Median and total payments on claims that received their first psychological payment within and outside of two months based on data from 2007-08 to 2020-21**

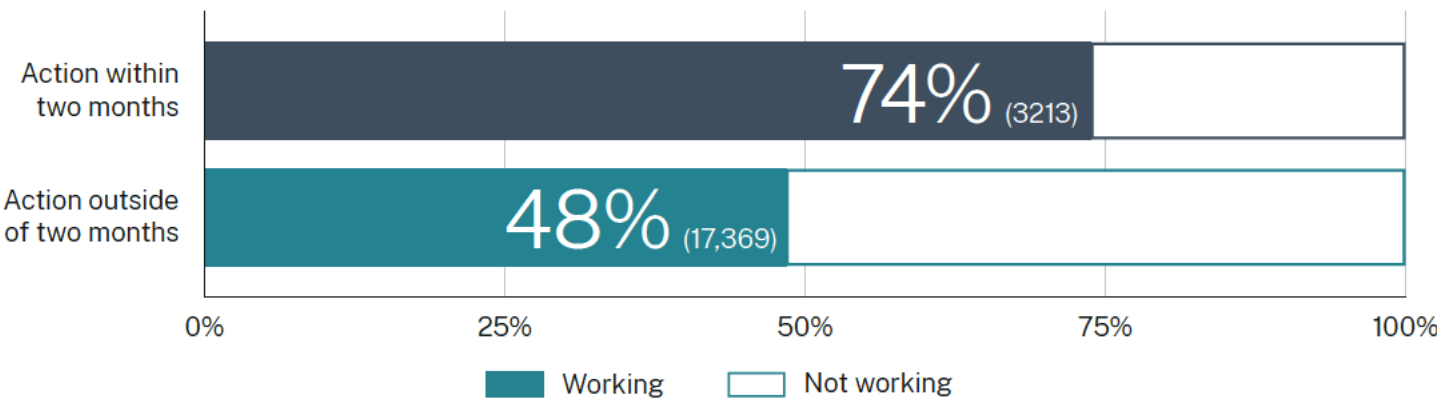
### Median payments



### Total payments



**Graph 13: Different work outcomes for claims that received their first psychological payment within and outside of two months based on data from 2007-08 to 2020-21**



# Responding to psychological injuries

SIRA has adopted a multi-faceted approach to improve the prevention and management of workplace psychological injuries. The approach has involved enhancing our regulatory frameworks and lifting the bar on insurer, employer, and health provider practices.

## Ensuring best practice insurer claims management

Within the existing legislative framework, people can access up to eight treatments and services, including psychological support, without pre-approval within three months of injury. Additionally, provisional liability means that weekly payments must commence within seven calendar days unless the insurer has a reasonable excuse. Weekly payments can continue for up to 12 weeks and medical expenses up to \$10,000 can be claimed on a provisional basis. Proactive access to eight psychological treatment or services and provisional liability can be an extremely effective means of providing a worker with early access to treatment and financial support in the initial stages of a claim.

Insurers' approach to managing psychological injury claims and physical injury claims to prevent causing secondary psychological injury is one of the most important determinants of a person's recovery. SIRA has provided evidence-based guidance and set expectations for insurers on how to manage claims for people with a psychological injury, through:

- [Guidance note 2.3](#) to help insurers adopt a best practice approach to the management of claims for exempt workers with a psychological injury. This guidance outlines how to adopt and tailor key evidence-based case management practices to achieve better outcomes. When adopted for workers with a physical injury this approach can help prevent secondary psychological injuries.
- [Standard of Practice 32](#) ensured that during COVID-19 the insurer assessed all health needs of the worker, potential barriers to recovery and commenced injury planning, while also informing workers that psychologists could certify capacity.

- [Standard of Practice 33](#) dedicated to managing psychological injury claims. Standard of Practice 33 sets out how insurers are to manage psychological injuries, as well as improve the management of physical injury claims by screening for biopsychosocial factors (biological, psychological and social factors) to identify claims where workers are at an elevated risk of developing a secondary psychological injury.
- [Standard of Practice 34](#) on return to work and early intervention. Under this Standard, insurers must also conduct screening for risk factors of delayed recovery, including psychological factors, in the early management of a claim and identify and agree the tailored actions to optimise recovery and work outcomes.

These regulatory instruments are based on best practice claims management, which shows the significant benefits of adopting early and ongoing screening to ensure that workers receive the appropriate support, avoiding an adversarial experience and unnecessary investigations.

## Regulatory monitoring of insurer compliance

The increasing incidence of psychological injury and the importance of quality case management was well canvassed in the report from the Independent Compliance and Performance Review of the Nominal Insurer. In response to the Review, SIRA published a [21-Point Action Plan](#) to improve the operation of the Nominal Insurer.

SIRA reviews every insurer's Business Plan and Injury Management Plan to verify that proper claims management actions are adopted. SIRA recommended that all Injury Management Plans be updated in response to the release of Standard of Practice 33, and has been working

with insurers on its implementation, conducting three online capability building forums and presenting at self insurer education days. SIRA is also amending the criteria in its Insurer Audit Manual to incorporate specific references to Standard of Practice 33 and psychological harm.

Furthermore, SIRA is currently conducting desktop assessments of insurer files to benchmark early intervention measures against Standard of Practice 34. These evaluations take into account Standard of Practice 33 if the claim is for psychological harm.

## Building health provider capability

SIRA has invested in building the capability of GPs, workplace rehabilitation providers and allied health providers to support early intervention and tailored, person-specific treatment and management of psychological injuries.

GPs, for example, play a central role in the diagnosis, treatment, and care of patients with work-related injuries. To help GPs better diagnose and manage work-related mental health conditions, and to respond to a need expressed by GPs, SIRA has contributed to the development of Clinical Guidelines for the Diagnosis and Management of Work Related Mental Health Conditions in General Practice. The project is now focused on implementing the guidelines through peer-to-peer coaching and a community of practice delivered as a randomised control trial. The work is expected to help improve GP care of work-related mental health conditions, worker health, and return to work outcomes.

In the workplace rehabilitation field, SIRA has mandated a biopsychosocial approach in its new Workplace Rehabilitation Provider Approval Framework. The new framework ensures that every workplace rehabilitation provider considers psychosocial factors impacting a worker as part of their treatment. SIRA required all workplace rehabilitation providers to reapply for approval under the new framework to continue delivering services in the scheme.

Recent [research](#) shows that the timely engagement of workplace rehabilitation providers can improve return to work outcomes by up to 20% for both primary and secondary psychological injuries. SIRA is partnering with the Australian Rehabilitation Providers Association (ARPA) to understand the circumstances that allow workplace rehabilitation providers to have the greatest impact. Together, SIRA and ARPA are working on a project that addresses issues impacting return to work for people with psychological injuries or those with physical injuries requiring psychological support, through a brief intervention involving workplace facilitated discussions. The expanded and timely engagement of workplace rehabilitation providers in the workers compensation scheme could help deliver significantly improved outcomes for workers with psychological injuries.

Building on our existing expectations, new online training is being developed to build the capability of allied health providers in screening for and responding to biopsychosocial risks. SIRA's new training will better equip providers to identify at-risk people and implement appropriate actions. All new allied health providers, and providers renewing their approval after three years, will be required to undertake the training.

## Targeting employers

SafeWork NSW has implemented a Code of Practice for Managing Psychosocial Hazards at Work that provides practical guidance on how employers can identify and manage psychosocial hazards at work.

Where employers have injured workers, SIRA carries out supervision through a range of advisory, compliance, and enforcement efforts.

Each month, up to 30 high-risk companies, including those with workers who have psychological injuries, are engaged using SIRA's predictive data modelling. Another 300 employers every month receive written advice and direction to help them achieve compliance.

Inspectors also investigate potential employer non-compliance with injury management duties, which can result in improvement and/or penalty notices being issued. Other regulatory tools used by SIRA include online return to work coordination training, a small business assist online portal, and monthly publications.

SIRA has invested in research by the Social Research Centre to help workplaces improve how they use Employee Assistance Programs. SIRA is working with state and federal regulators and social partners on implementing the key recommendations to help improve mental health at work.

## Investing in research

Investing in research to boost the evidence base for psychological injury recovery has been an important part of SIRA's response to psychological injuries.

The experience people have in interacting with a compensation scheme directly impacts their recovery and likelihood of psychological distress. SIRA undertakes an [independent benchmark study](#) at regular intervals to measure how customers are experiencing their compensation journey and the extent to which insurers are delivering services in line with SIRA's Customer Service Conduct Principles. This study measures experience with insurers, trust in the schemes, health, social outcomes, perceptions of justice, and the extent of self-reported psychological distress. SIRA uses the results of this research to inform regulatory supervision activities and over time it will improve understanding of what elements of scheme design contribute to better outcomes for injured people.

Since 2018, SIRA has led the recovery@work stream of the NSW Government's Mentally Healthy Workplaces Strategy. The recovery@work stream aims to support people to stay at work or come back to work while they are managing their mental health recovery. It also encourages employers to step up and create mentally healthy workplaces to support their workers recovery. By the end of 2022, it is anticipated that SIRA would have invested more than \$2.5 million on recovery@work research and initiatives.

A key initiative in SIRA's recovery@work program is Recovery Boost. SIRA's Recovery Boost program provides grants of up to \$50,000 towards mental health projects that encourage early help seeking, support recovery and reduce stigma in workplaces. To date SIRA has issued 20 grants valued at more than \$840,000 to individuals and organisations with innovative solutions to improve mental health recovery at work. One grant, for example, was awarded to the NSW Police Force to test combined interventions targeting hyperarousal in officers experiencing post-traumatic stress disorder, anxiety, chronic pain, and other stress related disorders. Benefits and lessons from these projects will be used to inform further and more effective treatment and support programs for NSW workers.

Outside of the recovery@work program, a more recent investment into psychological injury research has been through a partnership with the Black Dog Institute. SIRA has invested more than \$300,000 in funding for a two-year research fellowship at the Black Dog Institute as part of its Return to Work Action Plan. The purpose of this research is to better understand the barriers to recovery faced by people with psychological injuries and how workplaces can support a person's successful return. The findings will be used to identify system changes that can be made to improve the way schemes are designed and psychological injury claims are managed so that people experience a timely recovery and return to work.

## Transitioning to value-based healthcare

SIRA's approach to mental health and psychological injury occurs in the context of its commitment to delivering value-based healthcare in the workers compensation and motor accident insurance schemes. Value-based healthcare means that workers achieve good outcomes from the healthcare they receive, and that every dollar spent delivers quality, value, and optimises recovery.

Making sure that injured people recover both their mental and physical health is the first of six key outcomes in SIRA's Value-Based Healthcare Outcomes Framework. SIRA has commenced work to put in place measures to track progress against this outcome, including ensuring physical and mental health is improved or maintained, functioning is improved or maintained, and that injured people are moving towards zero harmful dependence on healthcare. Mental health considerations are woven

into SIRA's other outcome measures, such as ensuring that holistic wellbeing is taken into account and that the schemes recognise, assess, manage and monitor biopsychosocial complexity in an injured person's return to work and quality of life.

SIRA's first priority area for implementing value-based healthcare has targeted treatment for people with back pain. People with back pain tend to have sub optimal outcomes, with higher rates of psychological distress, surgery, pain medicine utilisation, and lower return to work rates. SIRA has partnered with the NSW Health Agency of Clinical Innovation to implement a new Low Back Pain Model of Care. The updated model of care promotes biopsychosocial risk screening for all injured people with lower back pain at regular intervals to ensure a holistic and person-centred approach. SIRA will promote the model to health providers and educate insurers, including case managers, on typical trajectories for these people and outcomes to expect.

The second priority area for implementing value-based healthcare will be people experiencing psychological distress given the poorer outcomes they face.

## Engaging with and supporting workers

SIRA established and regularly engages with the recovery@work reference group, which consists of people with personal mental health recovery experience and workplace leaders. Together this group collaborates and co-designs projects relating to mental health and psychological injury. For example, SIRA developed a strategic Engaging with Lived Experience Framework to guide its own work on mental health that was co-designed with people with lived experience.

SIRA has also developed a Mental Health Recovery and Support Action Plan to improve the mental health outcomes of people who make psychological injury claims. The plan is based on substantial research and contains a number of underlying initiatives that SIRA is rolling out.

To increase access to mental health support in workplaces, SIRA has established a free independent peer to peer support line Hear2Talk. Hear2Talk has been set up as a 12-month pilot and is available to all NSW employees who need support. The service based on evidence that shows people who receive peer support are more likely to retain engagement in the community and seek support services when needed.

A more recent initiative is SIRA's trial of its successful CTP Assist program in the workers compensation scheme. Through Workers Compensation Assist, SIRA is making outbound calls to workers at risk of delayed recovery as early as possible in the claims process. One cohort of workers SIRA is targeting is workers with a psychological injury claim. The calls aim to ensure that workers have the information and tools they need to direct and navigate their claims journey and return to work.

# Appendix A — Data

## Acronyms and shorthand references

- **NI** = Nominal insurer
- **Self** = Self insurer
- **Specialised** = Specialised insurer
- **TMF** = Treasury managed fund
- **RTW** = Return to work

## Number of claims

**Table 7: New and active reportable primary psychological claims by insurer type and financial year**

Data as at 31 March 2022.

Payment type	Insurer type	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Total new reportable primary psychological claims	NI	2,501	2,147	2,046	2,061	2,195	2,585	3,253	3,807	3,906
	Self	411	429	412	426	454	470	492	496	518
	Specialised	242	295	289	234	260	342	378	419	552
	TMF	1,946	1,772	1,734	1,926	2,117	2,217	2,839	2,810	3,335
	<b>Total</b>	<b>5,100</b>	<b>4,643</b>	<b>4,481</b>	<b>4,647</b>	<b>5,026</b>	<b>5,614</b>	<b>6,962</b>	<b>7,532</b>	<b>8,311</b>
Total number of new reportable claims	NI	67,025	61,644	61,372	60,641	61,284	63,401	66,217	63,503	65,627
	Self	12,151	10,995	10,467	9,632	8,724	8,519	8,520	8,116	8,625
	Specialised	7,338	7,233	6,889	6,984	6,658	7,329	7,950	7,702	8,157
	TMF	18,666	16,644	15,584	15,039	15,133	15,185	16,530	15,457	16,987
	<b>Total</b>	<b>105,180</b>	<b>96,516</b>	<b>94,312</b>	<b>92,296</b>	<b>91,799</b>	<b>94,434</b>	<b>99,217</b>	<b>94,778</b>	<b>99,396</b>

Payment type	Insurer type	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
% of primary psychological claims of the total new claims	NI	4%	3%	3%	3%	4%	4%	5%	6%	6%
	Self	3%	4%	4%	4%	5%	6%	6%	6%	6%
	Specialised	3%	4%	4%	3%	4%	5%	5%	5%	7%
	TMF	10%	11%	11%	13%	14%	15%	17%	18%	20%
	<b>Total</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>8%</b>
Total active primary psychological claims	NI	5,341	4,715	4,199	3,989	4,388	4,862	5,854	7,623	9,131
	Self	868	781	745	750	854	904	951	1,021	1,097
	Specialised	495	519	518	473	515	561	674	798	957
	TMF	6,674	5,873	5,469	5,544	6,022	6,338	7,381	8,372	9,418
	<b>Total</b>	<b>13,378</b>	<b>11,888</b>	<b>10,931</b>	<b>10,756</b>	<b>11,779</b>	<b>12,665</b>	<b>14,860</b>	<b>17,814</b>	<b>20,603</b>
Total number of active claims	NI	146,170	127,973	112,242	107,287	112,379	110,250	118,879	127,325	129,107
	Self	24,764	20,913	17,515	16,491	16,048	15,721	15,650	15,749	16,590
	Specialised	13,381	12,685	11,904	11,775	11,905	11,966	13,505	13,743	14,162
	TMF	43,980	37,368	32,006	30,132	30,042	30,133	32,362	33,140	34,951
	<b>Total</b>	<b>228,295</b>	<b>198,939</b>	<b>173,667</b>	<b>165,685</b>	<b>170,374</b>	<b>168,070</b>	<b>180,396</b>	<b>189,957</b>	<b>194,810</b>
% of primary psychological active claims of the total active claims	NI	4%	4%	4%	4%	4%	4%	5%	6%	7%
	Self	4%	4%	4%	5%	5%	6%	6%	6%	7%
	Specialised	4%	4%	4%	4%	4%	5%	5%	6%	7%
	TMF	15%	16%	17%	18%	20%	21%	23%	25%	27%
	<b>Total</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	<b>7%</b>	<b>8%</b>	<b>8%</b>	<b>9%</b>	<b>11%</b>

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

# Return to work

**Table 8: Return to work rates on each claim type by financial year**

Data as at 31 May 2022.

Duration	Claim type	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22*
4 weeks	Non-psychological	77%	72%	69%	73%	70%	69%
	Primary psychological	43%	41%	30%	28%	28%	22%
	Physical with psychological payment	43%	38%	38%	37%	34%	32%
	All claims*	74%	69%	65%	68%	65%	67%
	All claims excluding COVID*	N/A	N/A	N/A	68%	65%	62%
13 weeks	Non-psychological	89%	85%	83%	86%	85%	85%
	Primary psychological	57%	54%	46%	45%	43%	39%
	Physical with psychological payment	53%	49%	46%	46%	46%	52%
	All claims*	86%	81%	78%	81%	79%	80%
	All claims excluding COVID*	N/A	N/A	N/A	81%	79%	78%
26 weeks	Non-psychological	92%	89%	88%	90%	89%	89%
	Primary psychological	65%	62%	55%	54%	53%	49%
	Physical with psychological payment	56%	51%	49%	50%	53%	60%
	All claims*	89%	86%	84%	85%	84%	83%
	All claims excluding COVID*	N/A	N/A	N/A	85%	84%	83%
52 weeks	Non-psychological	94%	92%	90%	92%	92%	-
	Primary psychological	72%	68%	62%	60%	60%	-
	Physical with psychological payment	56%	51%	50%	49%	55%	-
	All claims*	91%	88%	86%	87%	87%	-
	All claims excluding COVID*	N/A	N/A	N/A	N/A	87%	-
104 weeks	Non-psychological	94%	92%	91%	93%	-	-
	Primary psychological	74%	70%	65%	64%	-	-
	Physical with psychological payment	53%	48%	49%	50%	-	-
	All claims*	91%	89%	87%	88%	-	-
	All claims excluding COVID*	N/A	N/A	N/A	N/A	-	-

\* Data as at 30 June 2022.

**Table 9: Return to work rates on primary psychological claims by insurer and financial year**

Data as at 31 March 2022.

\*RTW rates are shown as 'NP' where cohort size is less than or equal to 50 claims.

Duration	Insurer type	2016-17	2017-18	2018-19	2019-20	2020-21
4 weeks	NI	31%	26%	20%	21%	20%
	Self	42%	41%	33%	29%	32%
	Specialised	39%	45%	40%	35%	34%
	TMF	45%	50%	37%	34%	31%
	<b>Total</b>	<b>39%</b>	<b>38%</b>	<b>28%</b>	<b>27%</b>	<b>26%</b>
13 weeks	NI	46%	40%	35%	35%	34%
	Self	58%	53%	49%	47%	48%
	Specialised	54%	55%	52%	47%	53%
	TMF	58%	62%	54%	51%	46%
	<b>Total</b>	<b>53%</b>	<b>51%</b>	<b>44%</b>	<b>42%</b>	<b>41%</b>
26 weeks	NI	54%	51%	45%	45%	43%
	Self	62%	61%	56%	50%	56%
	Specialised	58%	62%	57%	52%	59%
	TMF	68%	66%	63%	61%	55%
	<b>Total</b>	<b>61%</b>	<b>58%</b>	<b>53%</b>	<b>51%</b>	<b>50%</b>
52 weeks	NI	60%	60%	52%	51%	50%
	Self	64%	63%	57%	55%	57%
	Specialised	62%	65%	61%	54%	63%
	TMF	73%	69%	68%	65%	61%
	<b>Total</b>	<b>66%</b>	<b>64%</b>	<b>59%</b>	<b>57%</b>	<b>56%</b>

NI = Nominal Insurer

Self = Self insurer

Specialised = Specialised insurer

TMF = Treasury Managed Fund

RTW = Return to work

**Table 10: Return to work rates on all claims by insurer and financial year**

Data as at 31 March 2022.

\*RTW rates are shown as 'NP' where cohort size is less than or equal to 50 claims.

Duration	Insurer type	2016-17	2017-18	2018-19	2019-20	2020-21
4 weeks	NI	72%	65%	62%	67%	64%
	Self	82%	76%	69%	70%	69%
	Specialised	80%	76%	74%	75%	73%
	TMF	76%	78%	72%	69%	65%
	<b>Total</b>	<b>74%</b>	<b>69%</b>	<b>65%</b>	<b>68%</b>	<b>65%</b>
13 weeks	NI	85%	79%	76%	80%	79%
	Self	88%	84%	80%	81%	82%
	Specialised	89%	85%	84%	83%	84%
	TMF	87%	88%	84%	82%	79%
	<b>Total</b>	<b>86%</b>	<b>81%</b>	<b>78%</b>	<b>81%</b>	<b>79%</b>
26 weeks	NI	88%	85%	82%	85%	84%
	Self	90%	86%	84%	81%	85%
	Specialised	91%	88%	86%	85%	87%
	TMF	90%	90%	88%	87%	83%
	<b>Total</b>	<b>89%</b>	<b>86%</b>	<b>84%</b>	<b>85%</b>	<b>84%</b>
52 weeks	NI	90%	87%	85%	87%	87%
	Self	91%	88%	85%	84%	85%
	Specialised	92%	90%	88%	87%	89%
	TMF	92%	91%	90%	89%	86%
	<b>Total</b>	<b>91%</b>	<b>88%</b>	<b>86%</b>	<b>87%</b>	<b>86%</b>

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

# Liability status

Data as at 31 March 2022.

**Table 11: Primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21
Liability accepted	65%	70%	72%	72%	72%
Liability denied	21%	17%	14%	14%	14%
Reasonably excused	11%	10%	9%	9%	9%
Other	3%	4%	5%	4%	4%

**Table 12: Total payments on primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Liability accepted	\$375,788,919	\$410,517,480	\$490,783,279	\$651,393,025	\$809,363,151	\$2,737,845,854
Liability denied	\$42,626,897	\$41,892,797	\$45,587,374	\$53,498,765	\$75,962,081	\$259,567,914
Reasonably excused	\$17,462,004	\$20,428,804	\$21,366,340	\$24,669,316	\$30,623,679	\$114,550,143
Other	\$5,004,862	\$9,997,740	\$16,570,587	\$22,227,846	\$20,750,730	\$74,551,765
Total	\$440,882,682	\$482,836,821	\$574,307,580	\$751,788,952	\$936,699,642	\$3,186,515,676

**Table 13: Work related harassment and/or workplace bullying primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21
Liability accepted	53%	61%	67%	68%	66%
Liability denied	29%	22%	18%	18%	19%
Reasonably excused	14%	12%	9%	9%	10%
Other	3%	4%	6%	5%	5%

**Table 14: Total payments on work related harassment and/or workplace bullying primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21
Liability accepted	\$78,259,969	\$95,773,491	\$137,226,425	\$182,849,834	\$228,757,899
Liability denied	\$18,639,094	\$17,329,164	\$19,902,114	\$23,374,527	\$33,124,344
Reasonably excused	\$7,999,417	\$8,656,892	\$7,327,481	\$9,153,093	\$11,962,432
Other	\$1,376,570	\$3,557,091	\$6,611,474	\$6,848,347	\$6,468,425
<b>Total</b>	<b>\$106,275,050</b>	<b>\$125,316,638</b>	<b>\$171,067,494</b>	<b>\$222,225,801</b>	<b>\$280,313,100</b>

**Table 15: Work pressure primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21
Liability accepted	62%	72%	78%	78%	75%
Liability denied	27%	19%	15%	15%	17%
Reasonably excused	10%	9%	7%	7%	8%
Other	0.20%	0.20%	0.20%	0.20%	0.10%

**Table 16: Total payments on work pressure primary psychological claims by liability status**

Liability status	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Liability accepted	\$104,893,785	\$130,668,602	\$153,327,109	\$208,020,208	\$252,481,568	<b>\$849,391,273</b>
Liability denied	\$5,631,622	\$4,836,898	\$5,635,893	\$6,657,327	\$8,119,675	<b>\$30,881,414</b>
Reasonably excused	\$995,446	\$1,151,118	\$1,128,288	\$943,656	\$1,127,643	<b>\$5,346,151</b>
Other	\$2,571	\$6,058	\$14,830	\$52,127	\$13,138	<b>\$88,724</b>
<b>Total</b>	<b>\$111,523,422</b>	<b>\$136,662,676</b>	<b>\$160,106,120</b>	<b>\$215,673,318</b>	<b>\$261,742,025</b>	<b>\$885,707,562</b>

## Metro versus regional claims

**Table 17: Primary psychological claims by metro and region and financial year**

Data as at 31 March 2022.

Financial year	Metro	Regional	Unknown	Total new reportable primary psychological claims
2016-17	3,443	1,499	84	5,026
2017-18	3,825	1,701	88	5,614
2018-19	4,697	2,111	154	6,962
2019-20	5,070	2,200	262	7,532
2020-21	5,372	2,625	314	8,311

## Mechanism

Data as 31 March 2022.

**Table 18: Top three mechanism types for primary psychological claims in the Healthcare and Social Assistance industry**

Mechanism type	Number of psychological claims	Proportion %
Exposure to Workplace or Occupational Violence	973	12%
Work Pressure	2,026	25%
Work Related Harassment and/or Workplace Bullying	2,888	36%
Total primary psychological claims in Health Care and Social Assistance industry	8,077	

**Table 19: Top three mechanism types for primary psychological claims in the Public Administration and Safety industry**

Mechanism type	Number of psychological claims	Proportion %
Other Mental Stress Factors	1,235	19%
Work Pressure	1,847	28%
Work Related Harassment and/or Workplace Bullying	1,583	24%
Total primary psychological claims in Public Administration and Safety industry	6,560	

**Table 20: Top three mechanism types for primary psychological claims in the Education and Training industry**

Mechanism type	Number of psychological claims	Proportion %
Exposure to Workplace or Occupational Violence	599	11%
Work Pressure	2,229	41%
Work Related Harassment and/or Workplace Bullying	1,518	28%
Total primary psychological claims in Education and Training industry	5,471	

## Payments

**Table 21: Payments on all claims by insurer and financial year**

Payment type	Insurer type	2017-18	2018-19	2019-20	2020-21	2021-22
Weekly payments	NI	\$696,158,079	\$806,368,930	\$1,023,530,901	\$1,180,270,381	\$1,053,199,589
	Self	\$59,637,625	\$63,925,913	\$73,149,855	\$93,332,020	\$88,897,383
	Specialised	\$43,620,150	\$51,693,339	\$60,829,244	\$71,445,918	\$66,548,813
	TMF	\$264,935,135	\$297,587,620	\$355,686,508	\$409,223,493	\$396,895,425
	Total scheme	\$1,064,350,989	\$1,219,575,802	\$1,513,196,508	\$1,754,271,812	\$1,605,541,210
Medical payments	NI	\$570,962,665	\$670,413,055	\$718,023,887	\$757,063,888	\$622,847,097
	Self	\$57,193,317	\$62,479,806	\$67,120,919	\$73,104,753	\$59,606,191
	Specialised	\$38,762,433	\$48,140,749	\$50,930,553	\$56,612,192	\$48,960,291
	TMF	\$123,661,373	\$154,641,370	\$163,272,626	\$176,702,936	\$158,923,740
	Total scheme	\$790,579,788	\$935,674,979	\$999,347,985	\$1,063,483,768	\$890,337,319
Common law	NI	\$324,400,760	\$338,390,385	\$347,528,501	\$454,322,915	\$347,567,201
	Self	\$38,437,794	\$42,932,960	\$40,283,336	\$53,086,296	\$42,183,557
	Specialised	\$29,761,706	\$26,901,804	\$28,754,534	\$37,075,352	\$24,947,507
	TMF	\$116,839,157	\$96,980,784	\$121,113,793	\$135,898,945	\$137,490,876
	Total scheme	\$509,439,418	\$505,205,933	\$537,680,164	\$680,383,507	\$552,189,141

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

Payment type	Insurer type	2017-18	2018-19	2019-20	2020-21	2021-22
Rehab treatment	NI	\$152,182,317	\$119,331,637	\$122,030,901	\$145,020,513	\$133,404,437
	Self	\$4,991,124	\$4,854,198	\$5,921,343	\$7,369,734	\$7,107,218
	Specialised	\$7,225,881	\$8,555,049	\$8,096,996	\$8,660,913	\$8,638,811
	TMF	\$20,204,648	\$25,807,056	\$30,055,022	\$30,400,121	\$26,325,621
	<b>Total scheme</b>	<b>\$184,603,970</b>	<b>\$158,547,940</b>	<b>\$166,104,262</b>	<b>\$191,451,281</b>	<b>\$175,476,088</b>
Lump sum (S66 & S67) payments	NI	\$87,359,381	\$104,299,224	\$124,681,591	\$135,216,151	\$110,911,301
	Self	\$9,536,295	\$10,951,107	\$13,101,166	\$13,866,182	\$15,289,438
	Specialised	\$6,121,819	\$9,991,833	\$11,635,621	\$9,306,173	\$7,550,566
	TMF	\$23,920,918	\$30,624,631	\$37,943,713	\$46,353,058	\$38,098,008
	<b>Total scheme</b>	<b>\$126,938,413</b>	<b>\$155,866,795</b>	<b>\$187,362,091</b>	<b>\$204,741,564</b>	<b>\$171,849,313</b>
Total payments	NI	\$1,983,613,442	\$2,198,599,923	\$2,518,162,246	\$2,874,467,590	\$2,436,111,326
	Self	\$187,500,393	\$203,372,800	\$218,035,982	\$261,134,699	\$230,191,940
	Specialised	\$155,619,427	\$180,013,743	\$190,054,809	\$221,426,135	\$186,184,573
	TMF	\$588,727,485	\$654,018,310	\$761,393,585	\$860,652,206	\$805,722,260
	<b>Total scheme</b>	<b>\$2,915,460,746</b>	<b>\$3,236,004,776</b>	<b>\$3,687,646,622</b>	<b>\$4,217,680,630</b>	<b>\$3,658,210,099</b>

**Table 22: Payments on primary psychological claims by industry and financial year**

Data from May 2022.

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Agriculture, Forestry and Fishing	\$1,543,397.47	\$1,826,532.10	\$3,168,731.63	\$3,544,129.55	\$2,871,619.01
Mining	\$5,177,839.01	\$5,528,885.15	\$6,589,534.74	\$6,110,359.68	\$9,554,292.19
Manufacturing	\$14,296,804.44	\$14,520,730.12	\$24,437,722.70	\$27,439,121.99	\$42,394,677.68
Electricity, Gas and Water	\$44,974.02	\$43,824.32	\$53,398.49	\$45,678.13	\$48,194.71
Electricity, Gas and Water Supply	\$946,614.48	-	-	-	-
Electricity, Gas, Water and Waste Services	\$1,902,464.24	\$2,511,792.23	\$4,670,666.79	\$4,665,720.06	\$6,941,659.16
Construction	\$9,400,086.82	\$9,257,269.53	\$11,583,043.38	\$21,047,414.99	\$31,309,973.74
Wholesale and Retail Trade	-	-	-	\$1,493.42	-
Wholesale Trade	\$8,737,640.03	\$11,103,242.14	\$11,069,816.11	\$18,996,195.93	\$2,583,951.70
Retail Trade	\$15,508,935.98	\$16,856,308.06	\$23,440,685.57	\$27,267,942.07	\$34,476,292.14
Accommodation and Food Services	\$9,432,993.30	\$10,081,510.89	\$11,808,907.80	\$15,591,786.62	\$20,676,978.97
Accommodation, Cafés and Restaurants	\$2,187,071.47	\$2,291,875.94	\$1,625,172.04	\$732,925.34	\$696,399.61
Finance, Property and Business Services	\$579.40	-	-	-	-
Transport and Storage	\$1,900,503.40	\$6,26,019.01	\$556,598.47	\$592,038.44	\$1,296,278.98
Transport, Postal and Warehousing	\$8,180,812.20	\$14,298,049.46	\$16,640,608.95	\$23,402,037.74	\$34,678,824.74
Communication Services	\$187,369.29	\$234,485.78	\$320,344.78	\$168,925.99	\$136,805.10
Information Media and Telecommunications	\$2,805,801.07	\$3,900,295.39	\$4,529,265.37	\$6,602,777.64	\$9,052,242.23
Public Administration and Defence	\$168,24.87	\$127,943.57	\$44,984.55	\$45,666.42	\$39,778.33
Community Services	\$1,223,708.53	\$323,799.31	\$354,794.49	\$268,963.82	\$324,032.07
Finance and Insurance	\$2,569,174.70	\$1,275,318.1	\$963,811.48	\$4,466,412.94	\$1,568,315.31
Financial and Insurance Services	\$8,829,222.94	\$11,752,483.83	\$14,928,914.18	\$19,659,403.86	\$29,099,247.49

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Property and Business Services	\$3,170,969.75	\$2,170,168.78	\$899,468.31	\$1,126,749.65	\$1,558,981.78
Recreation, Personal and Other Services	\$428,82.03	\$46,147.92	\$44,616.98	\$45,152.78	\$48,765.60
Rental, Hiring and Real Estate Services	\$2,046,924.54	\$4,627,948.52	\$4,571,280.84	\$7,470,456.50	\$10,611,283.26
Government Administration and Defence	\$9,243,729.65	\$10,162,740.65	\$6,903,061.36	\$7,511,233.34	\$4,373,659.85
Non-Classifiable Economic Units	\$162,910.02	\$112,416.21	\$427,833.61	\$2,249.45	\$752.86
Professional, Scientific and Technical Services	\$9,539,492.09	\$14,506,447.27	\$18,568,268.70	\$29,479,161.25	\$36,655,934.38
Missing	-	\$3,933.63	\$16,155.37	\$9,377.96	\$6,175.96
Administrative and Support Services	\$5,420,878.90	\$9,367,639.40	\$11,263,327.89	\$16,439,470.62	\$19,976,526.43
Education	\$8,838,877.46	\$4,117,521.27	\$5,546,651.03	\$898,980.43	\$1,285,958.63
Health and Community Services	\$10,210,695.50	\$7,061,830.25	\$4,131,888.32	\$4,984,685.64	\$3,932,078.80
Public Administration and Safety	\$97,429,637.69	\$113,879,858.90	\$146,663,630.70	\$200,444,821.10	\$259,284,486.40
Cultural and Recreational Services	\$930,470.79	\$332,895.18	\$402,909.26	\$686,122.70	\$57,540.57
Education and Training	\$36,495,297.29	\$48,651,565.86	\$65,900,452.68	\$96,085,186.03	\$104,289,501.50
Health Care and Social Assistance	\$55,531,102.69	\$69,521,402.85	\$98,468,329.85	\$134,890,806.50	\$176,100,245.20
Personal and Other Services	\$98,366,979.71	\$76,193,644.67	\$55,703,298.18	\$48,892,644.21	\$40,047,982.86
Arts and Recreation Services	\$1,586,133.94	\$2,730,347.22	\$3,733,433.30	\$4,560,413.44	\$6,153,774.48
Other Services	\$7,592,327.39	\$12,986,802.97	\$14,672,012.45	\$18,134,788.35	\$21,863,347.82
Not Stated and Other	-	-	-	\$30,727.03	\$73,503.20
Grand total	\$441,502,127.10	\$483,033,676.50	\$574,703,620.30	\$752,342,021.60	\$937,325,622.70

**Table 23: Payments on primary psychological and non-psychological claims by financial year**

Payment financial year	Claim	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Total active claims</b>	Primary psychological	11,761	12,688	14,872	17,827	20,614
	Non-psychological	158,947	155,465	165,628	172,396	174,683
<b>Total payments</b>	Primary psychological	\$441,502,127	\$483,033,676	\$574,703,620	\$752,342,022	\$937,325,623
	Non-psychological	\$2,406,050,778	\$2,436,490,462	\$2,664,622,768	\$2,937,667,624	\$3,284,101,386
<b>Average payments</b>	Primary psychological	\$37,540	\$38,070	\$38,643	\$42,202	\$45,470
	Non-psychological	\$15,137	\$15,672	\$16,088	\$17,040	\$18,800
<b>Total weekly benefits payments</b>	Primary psychological	\$184,826,171	\$226,241,409	\$294,173,874	\$400,912,810	\$482,486,651
	Non-psychological	\$852,302,039	\$842,723,570	\$929,874,224	\$1,116,313,623	\$1,277,578,502
<b>Total psychological payments</b>	Primary psychological	\$64,589,868	\$83,954,259	\$119,331,540	\$141,882,531	\$145,841,933
	Non-psychological	\$47,203,179	\$61,288,219	\$87,033,628	\$100,091,328	\$100,107,675
<b>Total other payments</b>	Primary psychological	\$192,086,088	\$172,838,008	\$161,198,206	\$209,546,680	\$308,997,038
	Non-psychological	\$1,506,545,560	\$1,532,478,672	\$1,647,714,916	\$1,721,262,674	\$1,906,415,209
<b>Average weekly benefits payments</b>	Primary psychological	\$25,610	\$26,567	\$28,883	\$31,243	\$32,502
	Non-psychological	\$11,961	\$12,386	\$13,626	\$13,093	\$14,381
<b>Average psychological payments</b>	Primary psychological	\$10,660	\$11,690	\$12,874	\$12,182	\$10,710
	Non-psychological	\$7,668	\$8,572	\$9,745	\$10,154	\$9,433

**Table 24: Payments on primary psychological claims by insurer and financial year**

Data from 30 April 2022.

Insurer type		2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
NI	Total payments	\$2,155,776,845	\$2,019,205,814	\$1,887,956,833	\$1,784,111,649	\$1,791,351,785	\$1,913,086,379	\$1,986,194,656	\$2,200,751,853	\$2,519,618,266	\$2,877,385,504
	Primary psychological payments	\$105,129,489	\$109,059,956	\$110,312,929	\$105,402,119	\$120,956,668	\$133,809,300	\$167,250,274	\$217,708,383	\$314,315,527	\$415,496,656
	%	4.88	5.4	5.84	5.91	6.75	6.99	8.42	9.89	12.47	14.44
Self	Total payments	\$250,942,047	\$235,587,920	\$194,259,577	\$177,382,335	\$175,199,931	\$191,021,830	\$187,607,285	\$203,454,244	\$218,095,932	\$261,195,328
	Primary psychological payments	\$12,924,922	\$13,038,740	\$13,374,315	\$16,768,481	\$17,923,190	\$20,081,682	\$23,181,717	\$28,962,271	\$31,751,195	\$48,428,120
	%	5.15	5.53	6.88	9.45	10.23	10.51	12.36	14.24	14.56	18.54
Specialised	Total payments	\$134,421,056	\$140,972,476	\$139,923,365	\$142,613,479	\$147,374,364	\$157,250,157	\$155,819,382	\$180,090,557	\$190,155,001	\$221,462,956
	Primary psychological payments	\$5,942,586	\$9,622,020	\$9,432,755	\$9,969,144	\$11,416,796	\$12,607,752	\$13,974,923	\$18,934,730	\$20,969,034	\$29,526,258
	%	4.42	6.83	6.74	6.99	7.75	8.02	8.97	10.51	11.03	13.33
TMF	Total payments	\$585,587,152	\$563,287,921	\$518,675,332	\$519,520,763	\$535,142,629	\$586,194,539	\$589,822,427	\$654,940,037	\$762,176,393	\$861,143,175
	Primary psychological payments	\$189,368,098	\$186,187,657	\$191,904,758	\$214,776,096	\$240,117,366	\$275,917,271	\$279,596,891	\$310,626,835	\$390,545,182	\$456,974,408
	%	32.34	33.05	37	41.34	44.87	47.07	47.4	47.43	51.24	53.07

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

**Table 25: Average claim cost of primary psychological claims by top three industries and financial year**

Industry	Payment financial year	Active claims	Total payments	New claims	Average
Public Administration and Safety	2016-17	2,388	\$97,626,936	882	\$40,882
	2017-18	2,699	\$114,367,283	945	\$42,374
	2018-19	3,355	\$146,812,496	1,232	\$43,759
	2019-20	4,073	\$200,598,699	1,345	\$49,251
	2020-21	4,892	\$259,572,188	1,639	\$53,061
Education and Training	2016-17	1,546	\$36,528,329	819	\$23,628
	2017-18	1,704	\$48,730,083	819	\$28,597
	2018-19	2,129	\$66,000,697	1,059	\$31,001
	2019-20	2,551	\$96,133,431	1,052	\$37,685
	2020-21	2,787	\$104,357,579	1,204	\$37,444
Health Care and Social Assistance	2016-17	2,089	\$55,604,366	1,035	\$26,618
	2017-18	2,413	\$69,715,787	1,195	\$28,892
	2018-19	3,063	\$98,713,440	1,528	\$32,228
	2019-20	3,829	\$135,123,595	1,733	\$35,290
	2020-21	4,540	\$176,595,307	1,873	\$38,898

**Table 26: Average claim cost of work related harassment and/or workplace bullying primary psychological claims by top three industries and financial year**

Industry	Payment financial year	Active claims	Total payments	New claims	Average
Public Administration and Safety	2016-17	496	\$17,796,346	202	\$35,880
	2017-18	584	\$18,473,879	252	\$31,633
	2018-19	710	\$27,660,902	301	\$38,959
	2019-20	843	\$35,048,334	313	\$41,576
	2020-21	1,045	\$49,361,501	407	\$47,236
Education and Training	2016-17	466	\$11,993,743	212	\$25,738
	2017-18	516	\$17,048,527	231	\$33,040
	2018-19	634	\$22,745,670	318	\$35,876
	2019-20	750	\$29,471,038	293	\$39,295
	2020-21	796	\$33,145,458	328	\$41,640
Health Care and Social Assistance	2016-17	722	\$16,737,130	336	\$23,182
	2017-18	856	\$22,859,148	434	\$26,705
	2018-19	1,129	\$34,713,841	587	\$30,747
	2019-20	1,387	\$48,789,674	642	\$35,176
	2020-21	1,662	\$63,525,010	685	\$38,222

**Table 27: Average claim cost of work pressure primary psychological claims by top three industries and financial year**

Industry	Payment financial year	Active claims	Total payments	New claims	Average
Public Administration and Safety	2016-17	699	\$24,580,166	262	\$35,165
	2017-18	784	\$34,106,057	284	\$43,503
	2018-19	956	\$40,765,724	380	\$42,642
	2019-20	1,166	\$57,206,956	400	\$49,063
	2020-21	1,292	\$73,299,569	397	\$56,733
Education and Training	2016-17	629	\$15,897,943	332	\$25,275
	2017-18	679	\$20,195,780	331	\$29,743
	2018-19	853	\$28,005,924	406	\$32,832
	2019-20	1,065	\$41,012,996	458	\$38,510
	2020-21	1,164	\$45,663,964	492	\$39,230
Health Care and Social Assistance	2016-17	593	\$15,958,899	299	\$26,912
	2017-18	706	\$23,020,986	342	\$32,608
	2018-19	802	\$28,310,875	369	\$35,300
	2019-20	990	\$37,126,814	439	\$37,502
	2020-21	1,085	\$47,675,133	406	\$43,940

**Table 28: Payments on work related harassment and/or workplace bullying primary psychological claims by industry and financial year**

Data from May 2022.

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Agriculture, Forestry and Fishing	\$954,792.76	\$700,345.35	\$1,135,583.12	\$1,327,770.81	\$917,198.36
Mining	\$2,295,606.55	\$1,495,410.51	\$3,707,076.17	\$1,912,138.93	\$3,559,116.57
Manufacturing	\$4,869,722.51	\$5,864,221.66	\$11,926,382.47	\$1,112,3264.40	\$16,840,143.22
Electricity, Gas and Water Supply	\$946,614.48	-	-	-	-
Electricity, Gas, Water and Waste Services	\$790,285.38	\$515,961.37	\$1,363,680.88	\$1,332,277.06	\$2,504,327.54
Construction	\$4,690,758.18	\$4,087,795.29	\$5,751,742.45	\$8,616,496.34	\$9,047,151.39
Wholesale Trade	\$4,058,188.12	\$4,523,737.43	\$5,282,852.34	\$7,276,603.90	\$11,173,563.26
Retail Trade	\$5,989,753.86	\$6,309,219.41	\$10,455,496.35	\$12,737,781.65	\$15,808,157.83
Accommodation and Food Services	\$4,019,782.28	\$3,877,798.51	\$3,946,265.13	\$5,822,849.78	\$7,522,007.12
Accommodation, Cafés and Restaurants	\$62,533.08	\$109,345.67	\$456,725.3	\$3,276.70	\$13.20
Transport and Storage	\$82,781.50	\$72,188.52	\$62,947.84	\$71,604.31	\$70,516.18
Transport, Postal and Warehousing	\$2,233,211.26	\$4,111,061.09	\$5,287,948.40	\$8,123,584.59	\$10,499,486.80
Information Media and Telecommunications	\$870,588.17	\$1,989,082.53	\$1,818,649.19	\$2,914,742.01	\$3,272,650.12
Finance and Insurance	\$331,198.12	\$248,871.64	\$190,431.89	\$827,173.92	\$419,329.28
Financial and Insurance Services	\$2,694,928.04	\$5,087,972.81	\$5,565,008.4	\$6,495,540.78	\$8,704,769.16
Property and Business Services	\$960,029.60	\$156,217.29	\$71,643.10	\$226,186.61	\$58,608.77
Rental, Hiring and Real Estate Services	\$762,741.81	\$1,810,264.55	\$1,622,381.30	\$3,456,381.37	\$4,342,798.41
Government Administration and Defence	\$1,767,421.62	\$1,732,889.93	\$543,543.95	\$947,881.55	\$107,416.93
Professional, Scientific and Technical Services	\$5,245,516.18	\$7,308,277.40	\$8,817,147.42	\$15,312,091.65	\$17,456,455.92
Missing	-	\$1,128.88	\$392.30	-	\$625.50
Administrative and Support Services	\$2,306,267.12	\$4,769,226.96	\$4,943,972.41	\$7,552,439.10	\$7,855,346.47
Education	\$1,749,214.54	\$68,062.74	\$51,244.96	\$17,353.10	\$42,264.59
Health and Community Services	\$1,502,694.13	\$1,255,805.41	\$1,301,310.27	\$475,191.02	\$904,007.76
Public Administration and Safety	\$17,770,118.08	\$18,453,149.05	\$27,604,776.07	\$34,920,032.61	\$49,158,792.57
Cultural and Recreational Services	\$46,772.11	\$24,775.28	\$3,288.60	\$171,717.35	\$3,750

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Education and Training	\$11,988,701.94	\$17,020,052.40	\$22,708,971.91	\$29,454,507.01	\$33,112,765.19
Health Care and Social Assistance	\$16,695,737.95	\$22,752,669.75	\$34,628,032.03	\$48,699,353.44	\$63,506,179.56
Personal and Other Services	\$5,620,951.93	\$4,058,354.74	\$3,053,354.84	\$2,564,702.25	\$2,099,328.62
Arts and Recreation Services	\$886,518.46	\$1,384,549.19	\$2,314,423.39	\$2,105,152.41	\$2,349,708.73
Other Services	\$4,081,620.42	\$5,528,203.42	\$6,434,783.91	\$7,679,255.88	\$8,891,374.04
Grand total	\$106,275,050.20	\$125,316,638.80	\$171,050,056.40	\$222,167,350.50	\$280,227,853.10

**Table 29: Payments on work pressure primary psychological claims by industry and financial year**

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Agriculture, Forestry and Fishing	\$218,266.09	\$411,379.03	\$1,123,998.06	\$603,663.89	\$679,839.52
Mining	\$539,208.21	\$815,935.45	\$555,543.06	\$1,031,320.79	\$2,034,510.99
Manufacturing	\$2,910,476.54	\$2,598,751.38	\$4,187,587.92	\$6,784,625.51	\$9,716,280.54
Electricity, Gas, Water and Waste Services	\$622,207.74	\$530,992.08	\$1,256,880.03	\$1,540,142.56	\$1,605,020.41
Construction	\$1,141,683.84	\$1,040,082.17	\$1,791,816.44	\$4,163,417.86	\$4,547,667.18
Wholesale Trade	\$1,744,809.40	\$2,829,122.54	\$2,835,072.37	\$6,899,976.81	\$7,278,861.31
Retail Trade	\$2,754,074.78	\$4,356,065.83	\$5,668,889.78	\$6,129,313.74	\$7,373,526.12
Accommodation and Food Services	\$1,167,093.72	\$1,961,914.87	\$2,182,710.77	\$3,048,489.67	\$5,003,946.44
Accommodation, Cafés and Restaurants	\$189,908.87	\$453,468.11	\$31,073.60	\$36,035.29	\$20,858.81
Transport and Storage	\$777,764.33	-	-	-	-
Transport, Postal and Warehousing	\$1,024,366.61	\$1,470,526.05	\$2,253,979.40	\$3,558,620.61	\$4,185,815.32
Communication Services	\$186,325.66	\$209,607.28	\$320,344.78	\$168,925.99	\$136,805.10
Information Media and Telecommunications	\$399,920.35	\$1,333,396.46	\$754,415.17	\$1,914,213.97	\$1,752,490.31
Finance and Insurance	\$924,502.66	\$249,503.66	\$180,316.26	\$468,603.92	\$577,559.87
Financial and Insurance Services	\$2,005,134.67	\$4,221,911.37	\$5,261,694.92	\$7,245,430.07	\$10,822,048.89
Property and Business Services	\$306,395.95	\$348,557.36	\$228,943.93	\$186,032.25	\$146,168.19
Rental, Hiring and Real Estate Services	\$763,497.97	\$1,579,722.61	\$1,274,318.58	\$2,594,799.22	\$4,116,826.17
Government Administration and Defence	\$1,192,411.45	\$631,129.42	\$611,495.43	\$838,654.98	\$526,471.60

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

Industry	2016-17	2017-18	2018-19	2019-20	2020-21
Professional, Scientific and Technical Services	\$2,604,704.55	\$4,402,657.04	\$5,912,520.98	\$7,960,741.25	\$10,949,451.43
Missing	-	-	-	\$1,360	\$743.76
Administrative and Support Services	\$1,076,617.14	\$2,063,915.92	\$2,188,394.48	\$4,309,971.18	\$4,115,143.07
Education	\$3,220,110.23	\$2,004,929.41	\$3,513,336.84	\$390,493.12	\$626,286.72
Health and Community Services	\$3,730,763.15	\$2,698,568.45	\$1,176,618.31	\$2,841,978.01	\$1,417,715.07
Public Administration and Safety	\$24,384,463.21	\$33,855,463.84	\$40,702,797.51	\$56,921,254.51	\$72,830,404.87
Cultural and Recreational Services	\$564,380.64	\$78,980.76	\$47,208.17	\$47,286.47	\$47,998.10
Education and Training	\$15,894,943.89	\$20,162,619.17	\$27,998,798.24	\$40,997,763.83	\$45,660,244.66
Health Care and Social Assistance	\$15,946,694.44	\$22,928,087.44	\$28,139,232.59	\$36,961,089.79	\$47,399,403.63
Personal and Other Services	\$23,319,352.42	\$17,758,777.16	\$14,269,990.64	\$11,963,314.51	\$10,623,168.85
Arts and Recreation Services	\$235,593.56	\$320,762.94	\$323,766.81	\$484,721.06	\$1,040,880.71
Other Services	\$1,765,256.58	\$5,441,731.62	\$5,339,784.17	5,584,979.07	\$6,493,136.03
Grand total	\$111,610,928.70	\$136,758,559.40	\$160,131,529.20	\$215,677,219.90	\$261,729,273.70

**Table 30: Spend from the Workers Compensation Operational Fund (WCOF)**

WCOF Funded Programs	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
SafeWork NSW	\$107.555m	\$112.105m	\$122.847m	\$132.904m	\$127.995m	\$128.892m	\$144.486m
SIRA	\$77.302m	\$72.364m	\$60.951m	\$59.136m	\$51.953m	\$53.303m	\$51.544m
Independent Review Office (Workers Compensation Independent Review Office to 28 February 2021)	\$4.898m	\$6.582m	\$7.343m	\$10.559m	\$10.967m	\$12.495m	\$13.277m
Independent Legal Assistance and Review Service	\$44.034m	\$49.864m	\$50.465m	\$57.313m	\$63.050m	\$73.613m	\$77.238m
Personal Injury Commission (Workers Compensation Commission to 28 February 2021)	\$21.828m	\$23.090m	\$26.283m	\$26.650m	\$25.285m	\$28.382m	\$26.720m
<b>Total</b>	<b>\$255.617m</b>	<b>\$264.005m</b>	<b>\$267.889m</b>	<b>\$286.562m</b>	<b>\$279.250m</b>	<b>\$296.685m</b>	<b>\$313.265m</b>

NI = Nominal Insurer    Self = Self insurer    Specialised = Specialised insurer    TMF = Treasury Managed Fund    RTW = Return to work

# Appendix B – Status update on previously open Law and Justice recommendations

## 2018 Recommendations

Recommendation	Status	Update
<b>Recommendation 1:</b> <i>That the NSW Government consolidate the workers compensation scheme and CTP insurance scheme dispute resolution systems into a single personal injury tribunal, by expanding the jurisdiction of the Workers Compensation Commission, but retaining two streams of expertise.</i>	Closed	Implemented with the establishment of the Personal Injury Commission, which consolidated the dispute resolution of the Workers Compensation Commission and the SIRA Dispute Resolution Service into a single, independent tribunal.
<b>Recommendation 2:</b> <i>That the NSW Government ensure that if a single personal injury tribunal is established, as outlined in recommendation, it:</i> <ul style="list-style-type: none"> <li>• <i>Be independent and judicial</i></li> <li>• <i>Have statutorily appointed presiding officers</i></li> <li>• <i>Provide a judicial appeal mechanism</i></li> <li>• <i>Publish its decisions</i></li> <li>• <i>Allow claimants to have access to legal representation</i></li> </ul>	Closed	Implemented with the establishment of the Personal Injury Commission.
<b>Recommendation 3:</b> <i>That the NSW Government preserve the Workers Compensation Independent Review Office and Independent Legal Assistance and Review Service in the workers compensation scheme and expand its services to claimants in the CTP insurance scheme disputes.</i>	Closed	The Independent Review Office and the Independent Legal Assistance and Review Service were retained under the changes enacted by the Personal Injury Commission Act 2020.

Recommendation	Status	Update
<b>Recommendation 4:</b> <i>That the NSW Government assist injured workers who have lost, or will lose their weekly entitlements under section 39 of the Workers Compensation Act 1987 to transition quickly to the disability support pension, where eligible, and investigate other support mechanisms for those ineligible for these payments.</i>	Closed	<p>SIRA worked with insurers to ensure workers received timely communication and resources to assist in locating services and supports following the cessation of weekly entitlements. SIRA continues to monitor ‘existing recipients’ of this cohort (i.e., workers in receipt of weekly payments at the time of the 2012 legislative amendments) in the upcoming transition off medical entitlements in 2022-23.</p>
<b>Recommendation 5:</b> <i>That the State Insurance Regulatory Authority give consideration to resolving legislative ambiguities including issues of back-pay following resumption of weekly payments, pre-existing psychological injury, assessment of permanent impairment and aggregating impairments, as a part of the Workers Compensation Dispute Resolution Reform Steering Committee Review, and in ongoing consultation with the Workers Compensation Independent Review Office.</i>	Closed	<p>The Workers Compensation Dispute Resolution Steering Committee convened by SIRA included the former Workers Compensation Commission (WCC) and the former Workers Compensation Independent Review Office. This Committee considered these ambiguities except for matters which were before the WCC and not appropriate for the President of the WCC to discuss. SIRA regularly provides advice to the Minister on opportunities to remove ambiguity in legislation through clarifying legislative amendment.</p>

## 2020 Recommendations

Recommendation	Status	Update
<b>Recommendation 2:</b> <i>That icare, in consultation with SIRA, investigate and implement measures to reduce medical expenses, including measures to address over-utilisation and over-billing issues.</i>	Open	<p>SIRA is engaging with insurers, including icare, on improving payment compliance and governance. Throughout 2022, the Medical Payments Working Group is focused on the following areas:</p> <ul style="list-style-type: none"> <li>Ensuring savings from surgeon fee changes are realised through correct application by insurers</li> <li>Increased insurer payment governance capability and insurer responsibility for compliance with legislation.</li> </ul> <p>SIRA is progressing the development of a medical payment leakage reporting tool that will provide monthly reporting for all workers compensation insurers. The monthly report will include instances of non-adherence to rules by insurers and providers. It will allow SIRA to better quantify leakage, identify problem areas, and identify results from changes. It will give SIRA the data analysis necessary to develop a targeted strategy for leakage reduction by workers compensation insurers and providers.</p> <p>The analysis of medical payment anomalies and insurer governance will inform the timing for a future audit of icare.</p>
<b>Recommendation 3:</b> <i>That SIRA commission an independent evaluation of the effectiveness of icare's claims management model, in order to identify improvements that will ensure the model best supports injured workers, promotes return to work and improves the scheme's financial performance.</i>	Open	<p>SIRA continues to assess icare's improvement plan documents against the key supervision focus areas of claims and return to work outcomes, financial performance, customer, medical payment leakage, data quality and significant matters.</p> <p>SIRA has requested that icare expand its monthly reporting against the supervision priority areas, providing SIRA with regular insights into progress in the claims management model.</p>
<b>Recommendation 5:</b> <i>That the NSW Government review and expand the regulatory powers of SIRA and NSW Treasury, to ensure both agencies have adequate oversight and powers to monitor the performance of the Nominal Insurer and Treasury Managed Fund.</i>	Closed	<p>The State Insurance and Care Legislation Amendment Bill 2022 responds to recommendations made in the McDougall Review, which overlap with this recommendation (by expanding the regulatory powers of SIRA. This Bill was introduced into Parliament on 30 March 2022.</p>
<b>Recommendation 9:</b> <i>That SIRA investigate:</i> <ul style="list-style-type: none"> <li>whether the use of the whole person impairment test in the workers compensation scheme is appropriate and whether the restriction in terms of having one assessment of impairment could be removed for certain injuries</li> <li>whether the definition of 'suitable employment' used prior to the 2012 reforms might be more appropriate than the current definition</li> <li>other options for injured workers and insurers to reach settlements and exit the scheme</li> <li>the feasibility and potential impacts associated with increasing legal costs under the Workers Compensation Regulation 2016.</li> </ul>	Open	<p>SIRA undertook a public consultation on these proposed reforms to thresholds, entitlements, and costs in October 2021.</p> <p>SIRA is now undertaking further consultation on these matters due to their impact and complexity, and expects to report back to Government by the end of 2022.</p>

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