

*From the President's Office  
Dr Kean-Seng Lim  
GAICD FRACGP MBBS*



2 July 2019

Ms Janet Dore, Independent Reviewer  
SIRA Compliance and Performance Review of the Workers Compensation Nominal Insurer  
Locked Bag 2906  
Lisarow NSW 2252

**By email: [consultation@sira.nsw.gov.au](mailto:consultation@sira.nsw.gov.au)**

**Re: SIRA Compliance and Performance Review of the Workers Compensation Nominal Insurer**

Dear Ms Dore,

Thank you for the opportunity to make a submission to the SIRA Compliance and Performance Review of the Workers Compensation Nominal Insurer. AMA (NSW) acknowledges the Terms of Reference, which are to consult with stakeholders and undertake analysis of data to provide findings in relation to the Nominal Insurer's compliance and performance, in particular to:

- assess Nominal Insurer compliance with SIRA's Market Practice and Premium Guidelines (MPPGs) and identify any unintended consequences, risks and priorities for improvement in SIRA regulation of the premiums of the Nominal Insurer
- identify the benefits and risks to the performance of the NSW workers compensation system arising from icare's implementation changes to the Nominal Insurer operating model and supporting digital platforms
- assess the Nominal Insurer's performance in relation to return to work outcomes, claims management (including guidance, support and services for workers, employers and health service providers), customer experience and data quality and reporting.

#### **Executive summary**

AMA (NSW) is a medico-political organisation that represents 9,000 doctors in NSW, including doctors-in-training, career medical officers, staff specialists, visiting medical officers and specialists and general practitioners in private practice in NSW.

Our members perform an important role in the workers compensation system by facilitating the treatment and recovery of workers following workplace injuries. In addition to assessing, diagnosing, treating and certifying patients, nominated treating doctors (NTDs) support patients' return to work.

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We welcome the opportunity to comment on this review and note that it follows key structural changes made to the workers compensation system in the last decade which have separated the role of regulator and insurer. The change was received as an appropriate way to reduce conflict of interest in system. We also support the creation of a main Nominal Insurer as a means of streamlining system change and improving overall performance.

Despite these adjustments, there remains widespread concern among medical professionals that the State Insurance and Regulatory Authority (SIRA) is more focused on the financial viability of the system than ensuring patients receive fair assessment and compensation.

A survey of our members revealed several concerns with the current system, including poor communication from insurers, unnecessary paperwork and requests for information, delays in treatment, unjustified denials of treatment, and inability of doctors to choose referrals to other specialists and rehabilitation professionals.

### **Why or why not?**

Of the 35% of respondents who indicated they provide services to workers compensation patients 'most of the time' (14.63%) and 'always' (20.49%) they indicated that they provided these services because it was part of their job, or that their regular patients experienced workplace injuries so they provided this service.

One doctor responded, "I believe in prompt treatment when required and am remunerated at a proper rate to reflect this." Another stated, "My practice mostly does this, and I continue to treat patients even if the insurer refuses to pay, which happens in 17% of cases."

Approximately 15% of survey respondents indicated they 'rarely' or 'never' provide services to workers compensation patients, and cited reasons such as 'too much paperwork / administrative burden' or because these patients fell outside of their specialisation or did not regularly interact with these patients as part of their clinical work.

### **Communication and information requests**

High quality patient care in the workers compensation system is compromised by poor communication. There is often a high volume of paperwork associated with workers' compensation patients, which has led to widespread frustration among medical practitioners. A third of doctors surveyed by AMA (NSW) indicated they did not feel requests for information from insurers were 'reasonable and relevant to the care of the patient.'

The flow of information is also perceived to be one-way. Doctors report being unaware when/if cases are approved, if there has been a change in case worker, if a case has been accepted or closed, and/or recommended treatments have been approved or declined. Communication problems are compounded by the high turnover and part-time employment of case workers. Not only does this disrupt communication between doctors and insurers, but it impacts patient care.

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In order to better coordinate patient care, AMA (NSW) suggests insurers facilitate the Nominated Treating Doctor's (NTD's) access to independent assessment reports and allied health reports.

We also suggest that insurers provide greater continuity of care to patients by reducing case worker turnover and facilitating communication regarding patients to the NTD.

### **Delay/denial of treatment**

There is significant concern that appropriate medical treatment for patients is unnecessarily delayed by insurers, who have 10 working days to provide approval. Depending on the injury, several treatments may be required and as treatments are consequential, these delays can significantly prolong patient treatment and recovery.

AMA (NSW) recommends delays be minimised and SIRA monitor and report on treatment times to ensure insurers deliver prompt treatment to patients, thereby enhancing their recovery.

The AMA (NSW) is also concerned by reports from medical professionals regarding insurers refusal of treatments despite doctors' recommendations and clinical evidence which supports intervention. Doctors clinical decisions regarding patient treatment should be supported and the role of the NTD in the workers compensation system needs to be recognised and respected.

AMA (NSW) recommends SIRA collect and publish data from iCare and other insurers on the numbers of treatments denied and why.

### **NTD referral privileges**

Doctors are well placed to refer patients to specialists and allied health professionals, and they should retain the right to refer to the medical professional that they deem best suited to provide treatment. Allowing the NTD to make referrals, rather than the insurer, reduces any chance of conflict of interest in the system and ensures patient care is the priority.

### **Recommendations**

1. That SIRA recognise treatment and recovery / return to work of patients is the primary goal of workers compensation system.
2. That patients have a dedicated case manager, whom they can communicate with regarding their treatment.
3. Insurers facilitate the Nominated Treating Doctor's access to independent assessment reports and allied health reports.
4. That treatment times are monitored and reported and that data is made publicly available, so there is greater accountability in the system.
5. That treatment delays be minimised and quality standards be established for commencement of treatment.
6. That the insurer or insurers who do not meet acceptable standards in terms of treatment delays or refusals be sanctioned.
7. That data be collected and made publicly available on insurers' denial of treatment, with detail on why the patient was denied treatment.
8. That doctors make clinical decisions about patients, and treatment decisions not be undermined to minimise costs at the expense of patient health outcomes.

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9. That NTDs be allowed to refer to the specialist of their choice.
10. That NTDs be allowed to refer to rehabilitation professionals of their choice, to ensure patient care is driven by quality not cost.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'K. Lim', with a stylized flourish above the name.

Dr Kean-Seng Lim,  
AMA (NSW) President

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