Our Strategy for FY22
– Our focus for FY21

Delivering on our role as the state’s social insurer

July 2020
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A message from the Chair and CEO

Our purpose, vision and FY2020-22 strategic intent remains clear and unchanged. Over the past three years, we have transformed insurance and care schemes for NSW by focusing on people, in an effort to deliver fairer and more balanced schemes for our community. This will continue to be our focus in the years ahead.

We acknowledge that we have faced challenges along the way and understand that we haven’t always executed our plans to the standard we aspire to. In FY20, we received the independent report from the State Insurance Regulatory Authority (SIRA) and its recommendations, as well as feedback received directly from customers, through the independent Customer Advocate report and our customer experience measurement surveys. We have listened to ensure our plans and strategies can meet the challenges ahead and remain committed to working cooperatively with all stakeholders, partners and our customers to deliver fair and more sustainable outcomes for the people of NSW.

For all of us, the rise of the COVID-19 pandemic across the globe is ushering in a period of challenges, both from an economic and customer perspective. It is likely the effects of the pandemic will be felt for many years. We acknowledge that our customers and our Schemes will be impacted in ways never seen before and we will need to remain both cognisant of the situations, those which the community face, as well as in our navigation of challenges and in the ongoing support we provide to those who need it.

We look forward to continuing to work with our stakeholders, partners and our customers to drive towards our 2022 ambition and deliver better and more sustainable outcomes for the people of NSW, ensure operational excellence and financial sustainability, and thereby strengthening our role as the state’s social insurer.

John Nagle
Chief Executive Officer
& Managing Director

Michael Carapiet
Chair
Rising medical and attendant care costs

Rising cost pressures are being experienced across the healthcare and insurance industries. Australian Bureau of Statistics data shows health costs have more than doubled relative to the Consumer Price Index (CPI) since 2013. Analysis of the Australian Institute of Health and Welfare dataset by Finity shows that the complexity of medical treatments in workers compensation has increased in many states across Australia. Our schemes have experienced an average increase in medical costs of 40 per cent as an overall spend, since 2015, and this is most significant within the Nominal Insurer (NI) with medical payments increasing by approximately $230m per annum from FY2015/16 to FY2018/19.

Currently the gazetted rates paid for NSW Workers Compensation claims are up to 1.5 times the Australian Medical Association (AMA) rates for surgery, making surgical fees the most expensive in any compensation scheme in Australia.

Increase in workplace psychological injuries

Psychological injury claims present a significant challenge for icare. On average these claims are more expensive and involve more time off work than physical injury claims. In 2018 they increased 28 per cent, jumping to 2,908 from the 2,264 claims reported in 2017 for NI. The June 2019 report from our independent actuaries, Finity, shows that while psychological claims account for 5 per cent of all claims reported in NI, they account for almost 9 per cent of the total claims costs.

The increase in psychological injury claims also presents as a critical challenge for the TMF Scheme. In 2019 there has been a 25 per cent increase in reported claims to 3,055, up from 2,450 in 2018. Currently psychological claims represent 19 per cent of all claims reported.

Some of the main drivers of this trend for both NI and TMF are the increase in promotion of mental health within the workplace and an increase in community acceptance of mental health and treatment being sought.

We continue to develop and refine initiatives to address these emerging trends and have implemented a three-year strategy to help tackle issues associated with mental health claims.

Over the past two years, we have also seen significant pressure on attendant care rates within Lifetime Care. This is predominantly being driven by the significant increases in the attendant care rates the National Disability Insurance Scheme (NDIS) is paying. Attendant care costs comprise around 70 per cent of all Lifetime Care costs, therefore cost pressures in this area have a significant impact on the schemes financial position.

To manage the continuing pressure of rising medical and attendant care costs on our schemes, we are investing in and implementing initiatives that deliver greater value and better care. These include:

1. developing a Healthcare Analytics capability which will help us better understand and influence the quality of treatment and support our customers receive and the cost we pay
2. supporting quality decision-making by increasing clinical guidance and implementing systems and processes to ensure the accuracy of case management decisions
3. reviewing of our attendant care fees and an increase in ‘value-added services’ for providers of attendant care services
4. leveraging existing relationships and interaction experience to preserve pricing levels.

This includes:

• a multi-disciplined assessment model supporting timely decision making on more complicated claims
• expanding the use of restorative mediation for eligible claims
• targeted reduction of low value care for anxiety/depression and post-traumatic stress disorder
• expanding the role of the Medical Support Panel to provide advice and support in mental health claims.

There are also a range of mental health initiatives being funded by the icare Foundation to support icare’s strategy, such as:

• co-funding a range of research projects supporting first responders and high-risk industries, including the Black Dog Institute and UNSW Trauma Clinic
• development of a Compassion Focused Therapy Platform and Uprise (mental health stepped care) platform as part of the WorkUp fund, designed to prevent secondary psychological claims
• the funding of a mental health website for small businesses – Ahead for Business, developed by Everymind
• the Foundation Board Committee has approved a $10m investment in the development of an integrated and tailored stepped care support model for high risk Government agencies.

Our evolving environment and external trends

As a social insurer operating in a complex environment we proactively monitor external trends to inform our strategies and plans going forward. These emerging trends are not unique to icare and are already having a material impact on the insurance and healthcare industries more broadly.

To realise our vision of providing best-in-class services to the people, business and communities of NSW we maintain awareness of external trends and their implications for icare, putting strategies in place to proactively manage these trends and their accompanying risks.

Rising risk of occupational lung disease: silicosis

Silicosis is a serious and potentially preventable lung disease that affects workers who are exposed to unsafe levels of silica dust. Silica is present in various natural and artificial stone products in many industries (e.g. tunnelling, stonemasonry, foundry moulding, mining).

There has been an increase in the number of people diagnosed with silicosis from the manufactured stone industry, where workers are cutting, grinding and polishing manufactured stone products which contain much higher levels of silica. As such, icare has experienced an increase in the number of silicosis cases. Seventy cases of silicosis, with varying levels of severity, have been detected from the 3,023 assessments conducted by icare screening services at the Dust Disease Clinic and via the icare mobile Lung Bus between 1st July 2019 and 31st January 2020. This is compared to forty cases in the same year prior and represents a 328 per cent increase in silica related screenings between FY2017/18 and FY2018/19.

As more research is now being conducted to understand manufactured stone and its correlation to silicosis, health experts have warned about the risks associated with ongoing or high-dose exposure to silica dust. icare, along with SafeWork NSW and NSW Health, have been actively looking for cases of silicosis, particularly within the manufactured stone industry.

Over the past two years, we have been working in partnership with other stakeholders including SafeWork NSW and NSW Health to proactively manage the potential impact of silicosis. This includes supporting SafeWork NSW’s Workers Health and Safety Roadmap for NSW 2022 through:

- representation on the Manufactured Stone Taskforce along with industry, regulatory and workforce representatives. This taskforce was convened by SafeWork NSW in 2018 to urgently review safety standards and regulatory changes to protect workers from crystalline silica dust exposure
- providing a subsidised health monitoring program. This includes providing the occupational screening service free of charge to employees who believe they are at risk of silicosis and who seek screening directly. This service is also provided free of charge to small businesses with less than 30 employees who have been issued with a SafeWork improvement notice. Larger employers who have been issued with a SafeWork improvement notice qualify for a 50 per cent subsidy
- presenting our health monitoring service at the inaugural Silica Symposium hosted by SafeWork NSW in May 2019. The symposium was the first event of its kind to focus entirely on silica, and brought together 350 industry experts, employers and service providers to share the latest in best practice.

In addition to the work we have been doing with SafeWork NSW, we are also exploring Artificial Intelligence (AI) to aid the interpretation of chest X-rays. Refinement of an algorithm created by our Data and Analytics team that correctly detects the markers associated with silicosis continues, with the eventual aim to deploy the AI tool to support radiologists and physicians in detecting silicosis, particularly in high-risk populations.

We have also been involved in important education, rehabilitation and training initiatives in relation to silicosis including working with the cohort of younger workers (33 workers aged from 18-40 years) who have been identified as showing signs of silicosis. The aim is to educate them on the dangers of ongoing exposure to silica dust and how it may contribute to increasing their disablement for work. In conjunction with SafeWork NSW information around how exposure can be minimised is also being provided to these younger workers. We are also assisting partially disabled workers to undergo vocational rehabilitation and / or retraining should they choose to, to help them move into new industries where they will not be exposed to silica dust.

Research grants for initiatives aimed at the prevention and treatment of silicosis or silica-related diseases are also provided through the Dust Diseases scheme.

Graham Felton | Dust Diseases Clinic
icare was formed to deliver improved and more sustainable outcomes for our customers, as well as to deliver ongoing financial savings to the NSW Government and our customers, while ensuring financial sustainability of all its schemes.

We are committed to tracking and reporting on financial and non-financial benefits both realised and expected in the future. Over the past few years, we have worked to refine our operations to deliver better and more sustainable customer outcomes, with more efficient services and operational savings.

icare operates on a break-even basis, which means that any savings achieved through prudent financial management are ultimately passed on as more affordable premiums or improvements to the schemes we administer. These savings have benefited the NSW Government and our customers in many ways, including helping to maintain premiums, and investing to ensure our schemes remain sustainable and operationally effective.

While COVID-19 has eased capital market deterioration, our Schemes have the financial strength to absorb this impact and return to acceptable levels of funding in the long term.

Uplifting organisational performance

Organisational performance is more than financial performance. It involves continually uplifting operational efficiency and effectiveness to drive financial performance, effective governance and risk management.

icare’s performance against our scorecard metrics as at 31 March 2020.

Employee Net Promoter Score

The employee NPS is a way for us to measure employee sentiment.

Results as at March 2020: eNPS occurs twice a year as a pulse check with icare employees. Over a six month period, the eNPS score has increased from +26 in November 2019 to +40 in April 2020. We continue to trend above the Insurance Industry average of +5. The eNPS response rate also increased by 4 percentage points to 77%.

Net Promoter Score (NPS) – Employers and NSW Government Agencies

The NPS keeps track of our customer experience and service across Employers and NSW Government agencies. It provides an indication of where we can improve our communication, case management and general processes.

Results as at March 2020: Overall result of -5* Nominal Insurer: This result saw a 1-point decrease to -6*

Employers are satisfied when they receive proactive case management, prompt communication and when processes are made easy. Dissatisfaction for Employers is high when they feel disengaged throughout the claims process and are not kept updated on their claims.

IRNSW: The combined agency result saw a 1-point decrease to +7:

- Agency on Claims Manager result stabilised to -15 due to increased sample size. Agency satisfaction stemmed from having helpful, efficient and proactive case managers. Pain points remained similar to previous months, which were inconsistencies in claims management and perceptions of processes being too slow
- Agency on icare score saw a 2-point increase. Positive feedback from agencies centres on the excellent service they receive from icare staff and the useful information and training sessions provided by the REX team.

NB Top-line result includes WI Employer-Claim, IfN Employer-Claim & IfN Employer-Policy (rating icare)

Results as at March 2020:

- Overall result of +10. The targeted portfolio status remains Amber for March with the overall Enterprise Portfolio Performance score of 82%.

Fit for work rate - 26 weeks full (TMF) (excluding partials)

icare Fit for Work (FFW) rate 26 weeks is for the Treasury Managed Fund (TMF), it excludes partials and aims to measure long-term sustainable return to work. Fit for Work is based on the ultimate number of weekly claims from valuation.

Results as at March 2020: The latest Fit for Work rate is 46.8%. Stabilisation in the 26 week measure is driven by improvement in the Police portfolio. There has been a significant focus on the management of mental health claims utilising multiple strategies. A focus on Work Capacity Decision (WCD) continues to ensure entitlements are effectively managed.

Claims frequency

Claims frequency is a measure of ultimate claims per wages and demonstrates the number of claims in a given time period. It can also provide an indication of claims that are yet to be reported and whether Work Health and Safety is improving.

Results as at March 2020: Overall result (combined claims frequency) has remained relatively stable at 0.342 which is driven by the size of the NI relative to the TMF.

Nominal Insurer: the claims frequency for NI remains relatively stable. The overall improvement in claims frequency since last reported is due to valuation assumption changes.

TMF: claim frequency increased for both Emergency Service (EMER) agencies and Non-Emergency (NEMER) Service agencies.

Expense rate

Measuring the ratio of expenses to revenue helps ensure icare is running in a financially sustainable manner. It is our goal to keep the expense rate low while improving service to customers and maintaining financially sustainable schemes.

Results as at March 2020: The expense rate is 19.6% in March 2020 while the full year target is 19.4%.
Our strategy at a glance

Our purpose and vision

The reason we’re here
Our purpose is to protect, insure and care for the people, businesses and assets that make NSW great.

Our vision for the future
Our vision is to change the way people think about insurance and care by providing best-in-class services to people, businesses and communities.

Our objectives

What we want for our customers
As the state’s social insurer, we are committed to delivering empathetic experiences and fair outcomes for the people and businesses we serve and the community we protect. We keep our customers at the centre of everything we do and actively use our capabilities, scale and influence to improve customer outcomes and experiences.

What we want for icare
We will continuously uplift operational efficiency, drive financial performance and ensure effective governance and risk management.

We will...

Deliver value and affordability
We will deliver valued insurance products and services that lead to injury and loss prevention and limit risk, resulting in more affordable and stable premiums and contributions for employers and the NSW Government.

Improve injury outcomes
We will continue to support injured workers return to health and work through an effective claims operation and through improved management of individual cases, delivered in a financially sustainable way.

Enhance quality-of-life outcomes
We will deliver greater independence and quality of life outcomes to those who have contracted a dust disease or who have been severely injured in the workplace or on our roads.

By focusing on...

Decision-making
We have the reporting, insights and infrastructure to enable high-quality strategic and operational decision-making that is timely and data-driven.

Agility
We are a lean and agile organisation with the ability to continuously evolve to meet the changing needs of our customers and stakeholders.

Connectivity
Our people, processes, systems and data are seamlessly connected, allowing us to leverage our full capability and identify and act on opportunities to improve outcomes for our customers and our organisation.

Ecosystem influence
Our nuanced approach to influencing and partnering drives a collaborative approach to improving outcomes and experiences for the people and businesses we serve.

What matters to us

integrity
Is doing the right thing

courage
Is stepping up and taking action

accountability
Is taking personal ownership

respect
Is valuing each other

empathy
Is listening, understanding and being there
Our objectives

Customer-centric experiences

Our customers include private employers and NSW Government agencies, those injured at work or who develop a dust disease during the course of their work, those severely injured in motor vehicle accidents and homeowners and builders. We are committed to ensuring all our customers are supported throughout their journey with us and that the services we provide effectively balance the diverse needs of our different customer cohorts.

Our 2022 ambition:

Our customer’s interactions with us are timely, transparent, easy and empathetic. We deliver effective and sustainable outcomes for customers, providing the right support at the right time to drive better experiences and outcomes in the long-term. Our customers are at the centre of our decision-making and solutions and have confidence in the services we deliver and the value we provide.

To achieve our 2022 ambition, over the next 12 months we will focus on:

01. Listening to and engaging directly with our customers and the community to ensure we truly understand their needs
   • Embedding the enhanced Customer Experience Measurement (CXM) program to provide increased visibility and depth of customer insights and feedback
   • Empowering our people to make informed decisions, with access to detailed insights that define the customer relationship such as customer pain points, service needs and the critical customer ‘moments that matter’
   • Continuing the Customer Advocate role across the organisation, proactively reviewing service experiences and responding to feedback from customers and stakeholders.

02. Enhancing the interaction experience to consistently meet our customers’ evolving needs
   • Simplifying the way in which our customers interact with us, providing them with the freedom to choose their preferred channel
   • Expanding on our digital capabilities, giving customers more opportunities to self-serve
   • Streamlining feedback by customers to continuously improve and optimise our channels.
**Organisational performance and financial sustainability**

Focusing on financial sustainability and the effective and efficient delivery of our services will help us deliver customer-centric outcomes while simultaneously reducing the financial impact of our schemes on our policy holders.

An enhanced focus on our ongoing financial and non-financial performance, and on effective governance and risk management will underpin our longevity and allow us to better service our customers. Monitoring and managing our performance closely, and setting ambitious yet achievable targets, will drive our desired culture of continuous improvement and strengthen our role as a social insurer.

**Our 2022 ambition:**

Our focus is on continuous improvement and efficiency, continually streamlining our processes and operations, enhancing our core capabilities and driving performance using data analysis. We aim to improve financial efficiency measures such as our operating expense and claims-handling expense rates. Long term financial sustainability will also be maintained by managing our assets and liabilities within acceptable risk tolerances and operating ranges.

We aim to improve the way we manage risk and our governance arrangements, and to strengthen our operational control environment, demonstrated through prudent and risk-aware ways of working.

We will build and embed a strong performance culture, a clear and aligned view of what performance looks like, a framework that supports us to measure and manage performance and communicate our financial and operational performance in a clear and transparent manner.

**To achieve our 2022 ambition, over the next 12 months we will focus on:**

01. Expense management, driving operational efficiencies and reducing operating expense rates, by:

- Process improvements and automation for critical finance-related processes (transactional processes) that move our resources and effort to more value-add tasks
- Continued proactive investment management activities with TCorp, ensuring appropriate risk and return objectives are met.

02. Outcomes-based reporting that helps us to be transparent and focus on all critical aspects of organisational performance for both financial and non-financial outcomes, by:

- Continued improvements to our organisation-wide performance framework and scorecard as well as other dashboards that support us in measuring, tracking and managing performance, inform decision-making and build accountability
- A performance approach that holds our people and partners accountable to our organisational outcomes by continuing performance objective setting, development conversations and establishing a culture of coaching and ongoing performance feedback.

03. Maturing our governance and compliance framework to drive accountability and improve operational performance, by:

- Risk and scenario planning, so that we can proactively plan for ‘adverse events’
- Enhancing our risk management practices, reporting and insights to support end-to-end decision-making
- Embedding ‘Genie’ as the enterprise governance, risk and compliance source of truth to optimise monitoring, quality reporting, analysis and insights.

04. Pricing of policies that deliver value to our customers, whilst supporting our ongoing financial sustainability (see page 20 for further detail).

05. Active claims management strategies to reduce the costs of claims while supporting our injured customers return to work and life (see page 22 for further detail).
Deliver value and affordability

We provide incentive and risk-based insurance to over 320,000 private NSW employers to cover the cost of supporting injured workers’ return to work. We additionally provide cover to 202 NSW Government agencies and government-related businesses for all insurable risks, protecting and insuring the people and property of NSW.

This includes NSW schools, roads hospitals, public venues and the iconic Sydney Harbour Bridge and Sydney Opera House. We also receive premiums from builders to protect home owners who have been left with incomplete or defective works, and from NSW Government infrastructure projects to insuring construction risks.

Over the past three years, we have focused on improving the customer experience across all our schemes to support upgraded service delivery and customer outcomes. For our employer and government agency customers, we have worked to simplify their experience through offering direct policy and billing services and risk advice, as well as providing information and advice about injury prevention.

What we’ve done over the past 12 months:

Solid progress has been made on delivering business initiatives across the three focus areas:

- To uplift customer experience, we have improved the platform and process supporting NSW Government agencies’ asset declarations and collaborated on the claims manager selection progress for TMF Workers Compensation. We have actively engaged certain industries and agencies to develop opportunities, better aligning our service delivery to the nature of our customers’ business or industry, and have continued to engage with customers and industry associations through a range of forums as well as the Mobile Engagement Team.

Our 2022 ambition:

Deliver value to our customers

We aim to continue to make our policies as affordable as possible, ensuring that the people, businesses, and NSW Government agencies we protect receive the coverage and protection that meets their needs.

As part of this, we want to provide employees and agencies greater choice and control of their policies and ensure clear articulation and customer understanding of their pricing, policy and rights.

We want our customers to have a streamlined experience for their policy and billing needs as well as risk advice (including loss and prevention) and to be supported with clear and transparent information, communication and insights to help them manage risks.

We aim to improve the management of claims for NSW Government assets through automation and digital platforms.

Be the trusted risk advisor

We will closely support customers in their journey to actively reduce injury incidence. We will do this through proactive engagement with customers and promotion of injury prevention and safer workplaces through the initiatives, insights and information we provide.

Our risk advisory services will build collaborative strategies and solutions to reduce whole-of-government and agency risk and limit insurance loss.

Ensure sustainability of our schemes

We aspire for our suite of products to reflect the risk exposure, injury rates and loss appetite of our customers. Supporting this are optimisation of our product and pricing processes and infrastructure, and an embedded risk insurance framework to improve sustainability and maintain premium affordability.

To achieve our 2022 ambition, we will focus on the below priorities in FY21:

01. Delivering value with our customers so premiums and levies are fair and provides customers the level of protection they need, by:

- Tailoring service delivery to the business needs of different employer and agency customer segments
- Continuing to enhance the suite of claims reports available to employers so they can convert insights into action
- Continuing to improve the digital channels and content such as portals and insight tools
- Increasing the automation of policy administration
- Improving the lodgement process and management of general lines claims that relate to NSW Government assets.

02. Be the trusted risk advisor to reduce the incidence of injury and loss, thereby enhancing affordability and social benefits, by:

- Continuing to strengthen our injury prevention capability
- Providing employers and agencies with relevant information and insights to manage their risks, supported by injury prevention and loss control consulting services
- Identifying and co-developing targeted prevention initiatives with peer groups, to address scheme-wide claims drivers and scale up proven initiatives across customers.

03. Ensuring the sustainability of our schemes to ensure our policies are affordable while providing the right protection for our customers, by:

- Maintaining focus on prudential cost-efficient operation for our schemes.
Our Strategy 2021

Improve injury outcomes

The NSW workers compensation scheme is complex and involves a diverse ecosystem that includes employers, industry bodies, service providers and partners, the regulator, injured workers and the broader NSW community. We cover more than 3.6 million workers with $200 billion in wages insured under the scheme in NSW. Each year, around 67,000 people are injured at work across NSW businesses and in the public sector with more than $806 million paid in weekly benefits and $662 million in medical benefits.

What we’ve done over the past 12 months:

To empower our employers to make informed decisions through the claims journey, we have:

• Launched the Authorised Provider (AP) model, providing eligible customers the choice of preferred provider of claims management services while ensuring consistent delivery of the principles of icare’s claims service model
• Invested in operational and competency improvements in the core system and related providers.

We have commenced new contracts with TMF Claims Managers to ensure consistency in the quality of outcomes to support injured workers through their claims journey.

We have continued to utilise our engagement forums. So far 40 forums have been conducted by our Mobile Engagement Team, who have gathered feedback from our customers to inform improvements to our services. We have more future forums planned to facilitate greater understanding of our customer needs.

Our NPS has shown improvement, with customers commenting positively on better accessibility, prompt responses, proactive follow up and consistent communication around the progress of a claim.

We have also delivered operational changes arising from the 2018 legislation reforms, including implementing a new way to calculate pre-injury average weekly earnings (PIAWE).

Our 2022 ambition:

We will deliver sustainable return-to-work outcomes by providing responsive services based on need and treating injured people with empathy, fairness and respect. Our return-to-work rate will be consistent by enabling employers, agencies and injured workers to be actively involved in the return to work journey.

We will make it easy for people who have been injured and their employers to interact with us, ensuring:

• we empower our customers to make informed decisions throughout their claims journey

To achieve our 2022 ambition, over the next 12 months we will focus on:

01. Embedding the Personal Injury operating model to deliver greater choice and influence, improved claims experience, and self-service options to our customers, by:

• Piloting an industry model approach with targeted industries to support small to medium businesses
• Delivering ongoing functional improvements to the claims platform to enhance and promote customer empowerment and engagement
• Commencing the migration of prior year claims onto the icare platform
• Implementing a consistent claims service model in TMF claims
• Investing in a centralised function to support the operation of a shared technology platform
• Investing in developing workforce and organisational capability to manage claims operations within icare and our partners.

02. Supporting our customers return to health and life through improved return-to-work outcomes for injured workers, by:

• Continually reviewing the portfolio of claims to ensure that each worker is supported in their recovery and return to work
• Improving front-end claims turnaround through reviews of targeted claims cohorts, focusing on early intervention activity and supporting decision making
• Improving long-term claims outcomes by training agents on the application of legislative entitlements to deliver a consistent customer experience across the scheme
• Delivering a comprehensive mental health claims approach comprising triage and decision making, with a focus on high-value care and employer management
• Ensuring fair and consistent application of legislative entitlements and supporting regulations and Standards of Practice to deliver a consistent customer experience across the scheme.

03. Enabling our providers to deliver optimal care to workers that is aligned with best practice, by:

• Delivering a single outcomes-focused framework to maximise the value of all contracted provider arrangements and drive improved performance
• Supporting Allied Health and other providers to deliver outcomes aligned to icare’s customer objectives and value-based care outcomes.

04. Delivering the medical strategy to support injured workers with the right level of care based on clinical evidence and effectiveness of treatments, by:

• Developing quality healthcare data collection, management, reporting and insights to enable icare to measure and manage medical treatments, costs and outcomes (based on more granular healthcare datasets)
• Investing in technology enablement to support the implementation of the medical decision-making framework
• Improving decision making to support value-based care interventions and improve all health outcomes by embedding system rules and increasing adoption and sophistication of support options for case managers
• Limiting low-value care, improve coding of treatment and monitor over-servicing to support scheme sustainability.
• Engaging and influencing healthcare practitioners, and collaborating with medical associations and SIRA to improve clinical governance.

05. Strengthening customer and stakeholder confidence to deliver long-term scheme sustainability, great customer experiences and operational excellence, by:

• Improving our day-to-day customer service while defining the vision for an improved customer experience for claims
• Developing a detailed stakeholder engagement plan, including increasing transparency by sharing information, such as claims scheme agent performance.
Our strategic priorities

Enhance quality of life outcomes

Through our Care functions, we aim to deliver greater independence and quality of life outcomes. Our Care functions include:

• The Lifetime Care and Support Scheme which provides treatment, rehabilitation and care for people who have been severely injured in a motor accident in NSW or ACT (by agreement with the ACT government)
• The Workers Care program that provides this model of care to severely injured workers in NSW
• The Dust Diseases Care (DDC) scheme which provides compensation to workers (and dependents) with a dust disease caused by workplace exposure in NSW, and also provides health monitoring and screening to at-risk workers on behalf of employers
• The recently created Compulsory Third Party (CTP) Care scheme that will provide statutory treatment and care benefits for people injured in a motor accident in NSW who have needs beyond five years after their accident but do not meet the criteria for inclusion in Lifetime Care. We are currently building a new model to support these customers - the majority are expected from December 2022 (five years from when the CTP legislative reforms were enacted on 1 December 2017).

Our Care teams work closely with an ecosystem of providers and partners including allied health professionals, regulators, researchers and industry and advocacy groups to support our customers, their families and carers.

As at 31 December 2019, we support:

• 1,506 severely injured road users (including 15 from ACT)
• 336 severely injured workers
• Over 5,500 people with a dust disease and their dependents.

What we’ve done over the past 12 months:

We are continuing to move towards a more aligned Care model that provides valued support based on injury requirements, with the capacity to cover a growing and evolving cohort.

This model will provide consistent quality and delivery of participant services and experiences by leveraging a spectrum of providers and covering multiple geographies and all of the Care schemes. Over the past year we have:

• completed the review and implementation of Lifetime Care’s frontline service delivery model to better align to customer needs and transitioned our customers to this new model
• designed and started the transition to an enhanced DDC operating model
• commenced our pilot for the upcoming CTP Care scheme participants.

As part of ensuring our operating model is efficient and effective, we have begun transitioning enabling functions to Centres of Excellence within icare.

Our 2022 ambition:

We aim to improve our operations so the right level of needs-based case and support is provided to customers consistently across all schemes.

We will empower our customers as they adjust to and progress through life with an injury or illness ensuring:

• Greater independence and control with less reliance on icare
• Greater choice around how they interact with icare and manage their services
• High quality interactions and customer experience
• Access to more personally tailored services
• Improved health literacy.

To achieve our 2022 ambition, over the next 12 months we will focus on:

01. Enhancing our model to more efficiently and effectively deliver support for our current and future expanded customer base, by:

• Optimising Care’s service model across the Workers Care program and Lifetime Care
• Transitioning to and embedding our refreshed DDC and Specialist Care operating model and governance
• Designing and implementing the new CTP Care model with full data reporting to SIRA.

02. Enhancing Care technology to support customer experience improvements, by:

• Implementing fit-for-purpose technology within DDC
• Upgrading Care’s customer management system to support the new CTP Care scheme.

03. Supporting and empowering our people, providing more opportunities for development and career progression, and building staff engagement through improved ways of working, by:

• Continuing to align key performance indicators and building staff engagement through improved ways of working
• Developing pathways that build future leaders
• Promoting empowerment, engagement and ownership through delegation and decision-making
• Driving tighter integration across regional offices.
Decision-making
By 2022, we will have the reporting, insights and infrastructure to further enable high-quality strategic and operational decision-making that is timely and data-driven. Over the next 12 months, we will focus on enhancing organisational decision-making by:
• Evolving our new Customer Experience Measurement (CXM) program to incorporate more survey touch points and increase our understanding at key stages in the customer journey, the ‘moments that matter’, to help facilitate true customer-centric decision making
• Improving our data integrity and ability to monitor and report on key operational and strategic metrics, risks and compliance, customer and community insights and overall organisational performance. Improved data access and connectivity will enable and empower our people to make informed decisions
• Using advanced data and analytics to enhance our customer experience and service proposition. Examples include the use of Artificial Intelligence (AI) to improve the probability of detecting silicosis earlier for our Dust Diseases Care participants and to identify workers and participants with high complexity claims that require interventions, so we can ensure we’re providing the right services at the right time.

Agility
By 2022, we will be a flexible organisation that can quickly respond and adapt to a changing operational environment, continuously responding to the evolving needs of our customers and stakeholders in a disciplined and consistent way. Over the next 12 months, we will focus on enhancing our organisational agility by:
• Focusing on pragmatic and outcomes-focused change delivery, delivering clear and specific outcomes within required timeframes ensuring benefits are tracked and realised
• Developing and delivering a fit for purpose Accommodation Strategy to support our people with increasingly agile ways of working.

Connectivity
By 2022, our people, processes, systems and data are seamlessly connected, allowing us to leverage our full capability, and identify and act on opportunities to improve outcomes for our customers and our organisation. A culture of connectivity combines an enterprise-wide mindset with embedding ways of working that are both collaborative and achievement-oriented. Over the next 12 months, we will focus on enhancing our organisational connectivity by:
• A performance approach that connects our strategy to our actions and holds our leaders and people accountable to organisational outcomes. This will include establishing a culture of coaching and performance feedback and continuing performance goal setting, regular reviews and development discussions
• Developing robust strategic workforce plans that connect our capabilities and our people to meet immediate and long-term enterprise wide needs
• Deliver a HR information system technology solution to streamline and automate HR processes, making it simpler for our people to access HR services and better manage theicare workforce development and embed a consistent approach to organisational design.

Ecosystem influence
By 2022, we will be able to augment the delivery of our customer outcomes through our ability to collaborate and influence our stakeholders, identifying opportunities to partner with external organisations to enhance outcomes and experiences for the people and businesses we serve. Over the next 12 months, we will focus on enhancing our ecosystem influence by:
• Ensuring we comprehensively understand our ecosystem and major stakeholders, identifying opportunities for collaboration and how we can better target our engagement efforts
• Continuing to invest in innovative ideas and organisations that can deliver solution services that meet customer needs now and in the future.
Our purpose, vision and FY2020-22 strategic intent remains clear and unchanged. Our purpose is to protect, insure and care for the people, businesses and assets that make NSW great. Our vision is to change the way people think about insurance and care through delivering best-in-class services and delivering fair, honest and sustainable insurance and care schemes for NSW.

To deliver on our FY2020-22 strategy and move forwards in making our 2022 ambition a reality, this year we will focus our efforts on:

• listening and engaging directly with our customers to truly understand their needs and implement optimal and timely outcomes
• improving our return-to-work outcomes, assisting injured workers return to suitable and sustainable work
• driving clarity and transparency of our performance and the value that we generate for the people and community of NSW
• continuing to drive operational efficiency and performance across our organisation and schemes.

We will continue to work together to deliver improved but sustainable services for our customers and the people of NSW while ensuring operational excellence and long-term financial sustainability.

We remain committed to listening to and working with our customers, stakeholders and the broader community, as we improve how we respond to emerging trends and changing customer needs. As always, our work is supported by our culture, and the drive and commitment of our people to work together to achieve positive outcomes. Throughout FY21, we will continue to refine our ways of working, supporting our people and providing a workplace environment that encourages collaboration, teamwork and accountability across the organisation.

As we embark on the second year of our three-year strategy, we are confident about the year ahead and that we are on track to realise our ambition to deliver better and more sustainable outcomes for the people of NSW and strengthen our role as the state’s social insurer.

We acknowledge that the effects of the COVID-19 global pandemic will continue to impact the people and businesses we serve and the wider community for many years to come. While our operational reality has changed, icare remains committed to focusing on our customers to ensure they receive the right outcome.

To ensure successful delivery of our FY21 Strategic Plan during times of uncertainty, we will adopt robust and risk-based prioritisation in the choices we make. We have developed a set of principles which will guide our decision-making while we continue to work through and understand the implications of COVID-19. These include:

• continue to deliver positive outcomes to our customers, and make equitable and fair decisions in difficult situations
• ensure our immediate and short-term decisions are in alignment of our longer term strategic direction
• conduct only essential works and shorter return on investment early and delay commitment of remaining resources
• preserve flexibility and funding to tackle unforeseen challenges and maximise opportunities
• prioritise opportunities to think through our critical challenges, ready to adapt to COVID-19 related challenges and opportunities as they emerge.

We will continue to monitor the effects that COVID-19 has on our planned initiatives, now and into the future, and will communicate new developments as they arise.

Regards,

John Nagle
Chief Executive Officer & Managing Director

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John Nagle
Chief Executive Officer & Managing Director
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