

# Claims Service Provider Quarterly Performance Data User Guide

Published: March 2025





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# Introduction

icare has partnered with six Claims Service Providers (CSPs): Allianz, DXC Technology, EML, Gallagher Bassett (GB), GIO, and QBE to manage workers compensation claims on behalf of the NSW Nominal Insurer. To address the rise of mental health claims, four CSPs – Allianz, DXC, EML and GB – provide specialist psychological claims capability with skilled and experienced case managers dedicated to managing these claims. This means employers will have greater options to choose the provider to best care and support their injured workers when they need it most.

icare started publishing CSP comparative metrics from November 2023. These metrics will be updated quarterly. The metrics focus on service (compliance and satisfaction), capability (caseloads) and outcome (return to work and working rate) measures.

This User Guide is intended to help readers understand the Claims Service Provider Quarterly Performance Data, what the different metrics mean and how they are compiled.

## The metrics

These measures are published on the [Claims Service Provider Quarterly Performance Data](#) webpage on the icare website:

### Service – Compliance and Satisfaction

- How consistently CSPs make liability decisions for a claim (full liability, provisional liability, or reasonable excuse) within legislated timelines.
- How consistently CSPs pay initial weekly benefits to the injured worker within required timelines.
- Injured worker and employer satisfaction measured through surveys.

### Capability – Caseloads

- Capacity of CSPs to manage claims.

### Outcome – Return to work and working rate

- Effectiveness of CSPs returning injured workers back to work in a 13-week, 26-week and 52-week timeframe.

Further measures may be included in the future as additional data becomes available. For the capability measure specifically, additional metrics may be included in future to provide a more detailed understanding of a CSP's claims management capacity.



## The data

Most of the Claims Service Provider Quarterly Performance Data relates to claims reported after 1 January 2023, including the service measures of liability decisions, initial weekly payments, and satisfaction.

Exceptions are:

- Caseloads – these are a function of open claims, and most CSPs will have open claims that are pre-January 2023 captured in the data.
- Return to work (RTW) rates – there is a lag period for each RTW cohort. This means the 13-week return to work rates are for the previous quarter, which begins two quarters earlier. The 26-week rates are for quarters beginning three quarters earlier, while the 52-week rates are for quarters beginning five quarters earlier. For example, For injuries occurring in the quarter beginning 1 January 2023, the 26 week rates will be visible for the first time from 30 September 2023; and the 52-week rates will become visible for the first time from 31 March 2024.

## Differences between Claims Service Providers

Each Claims Service Provider has a different mix of open claims. These differences include the total number of open claims they manage, employer sizes and employer industries, and mixes of physical and psychological injury claims. Users should be aware that the results across CSPs will reflect these differences and may lead to different results that do not necessarily correspond to the underlying claims performance of each CSP.

# Published Metrics

## Return to Work and Working Rates

### Introduction

The NSW Nominal Insurer Workers Compensation scheme is designed to assist injured workers to return to full participation in work and life. Evidence shows that the faster an injured worker is diagnosed, treated, and returns to work in some capacity, the greater their chances are of making a full recovery.

One of the primary measures of success is based on return to work (RTW) rates which measure the proportion of workers who have been off work for at least one day and have returned to work following a workplace injury. This measure is viewed at various points in the claim relative to the date of injury. The periods selected for publishing are 13, 26 and 52 weeks from the date of injury.

The working rate (WR) is another primary performance measure and is a combination of two measures: the RTW rate and the 'stay at work' rate. This WR measure is the proportion of workers who have been off work for at least one day and returned to work following a workplace injury (RTW) and workers who have not been off work and remained at work with the same or different employer following a workplace injury (the 'stay at work' rate). This measure can be viewed at various points in time relative to the date that the claim was reported to the CSP. icare has published the 13-week working rate from the date a claim is reported. The working rate will be higher than the RTW rate because of the inclusion of claims where there has been no time lost due to injury ('stay at work' rate).

Both the RTW and the working rate form part of SIRA's 'Recovery through Work' measurement framework which outlines a multifaceted approach to the measurement of recovery from an injury at work. The 'stay at work' rate (referring to the proportion of workers who have not taken time off work after sustaining an injury) is another measure that is part of the framework. See [Recovery through work measurement framework – SIRA \(nsw.gov.au\)](#) for more detail.

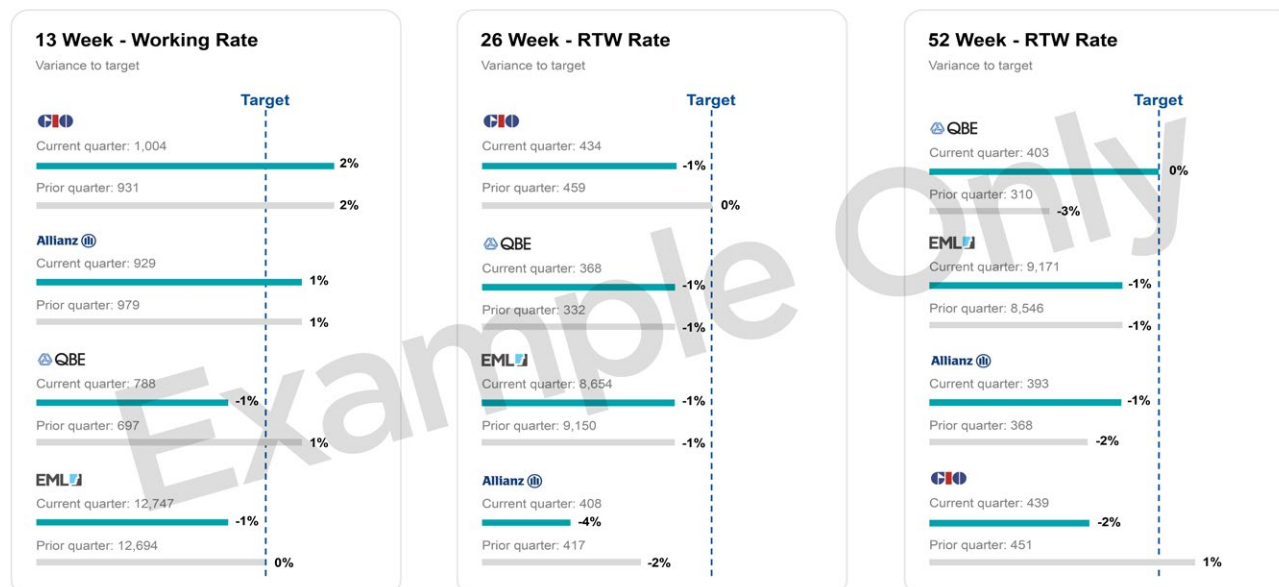
### Explanatory notes on the target infographic

#### Why is icare publishing variance to targets and not absolute results for the return to work (RTW) and working rate (WR)?

Return to work and working rate performance will vary across different employer sizes, industries and claim type (physical or psychological injury). Absolute return to work and working rate results at the overall Claims Service Provider level are not comparable as each CSP manages a different mix of claims across employer sizes, industries and claim types.

As a result, the working rate variance to target for the overall portfolio of each CSP is published to enable a like-for-like comparison between each provider (see below). A positive result for the RTW and WR variance to target indicates that the CSP is performing above their particular target for their specific mix of business.

The target infographic on the CSP Performance Data webpage:



The data in the image above is an example only and should not be used or referred to for any purpose.

## What do the targets relate to?

icare has set different targets for each Claims Service Provider's working rate that reflects their unique mix of claims across different employer sizes, industries and claim types (physical or psychological injury). The targets focus on improved RTW outcomes, better support to injured workers and employers, and reduced cost burden on the scheme and employers.

## What do the current quarter and prior quarter options in the infographic relate to?

The return to work and working rates measure the proportion of injured workers that are working in some capacity and are measured at different points in time from the date of injury or date the claim was reported. For example, the 13-week working rate measures the proportion of injured workers that are working by 13 weeks. A claim will need to be at least 13 weeks old to know if return to work for an injured worker has been achieved by 13 weeks. Infographic is a quarterly result which includes the latest available three-month results.

The below table shows the months the measures relate to:

Measure	Prior Quarter	Current Quarter
<b>13-week working rate</b>	Claims reported in <b>April 2024, May 2024 and June 2024</b>	Claims reported in <b>July 2024, August 2024 and September 2024</b>
<b>26-week return to work rate</b>	Claims with date of injury occurring in <b>January 2024, February 2024 and March 2024</b>	Claims with date of injury occurring in <b>April 2024, May 2024 and June 2024</b>
<b>52-week return to work rate</b>	Claims with date of injury occurring in <b>July 2023, August 2023 and September 2023</b>	Claims with date of injury occurring in <b>October 2023, November 2023 and December 2023</b>

### **Are there any differences between the infographic data and the data in the interactive dashboard?**

The data in the infographic includes all employer sizes, industries and claim types (physical/ psychological) for the CSPs. Some exclusions apply for certain claims that don't reflect normal return to work (for example industrial deafness and COVID claims).

The data in the interactive dashboard includes claims for employers and includes non-standard return to work claims such as industrial deafness and COVID claims.

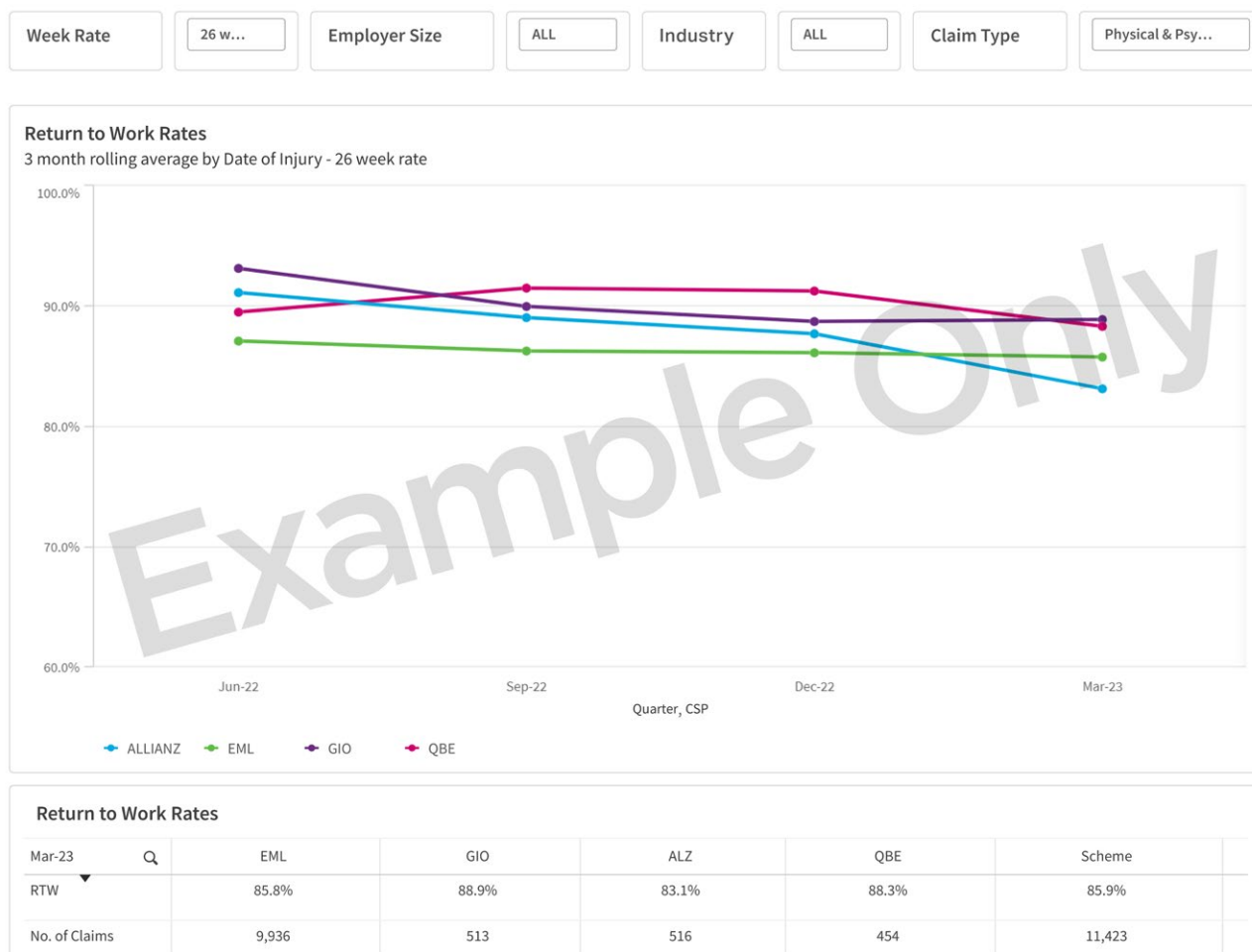
## **Explanatory notes on the interactive dashboard**

### **Return to work and working rate filters**

The 'Week rate' filter selects the following measures:

- 13-week working rate – Percentage of workers who have been off work at least one day and returned to work following a workplace injury within 13 weeks of the date the claim was entered into the system and workers who have not been off work and remained at work with the same or different employer following a workplace injury (also known as the 'stay at work' rate).
- 13-week, 26-week and 52-week return to work rate – Percentage of workers who have been off work following an injury for at least one day and returned to work within 13, 26 and 52 weeks respectively of the date of injury with the same or different employer at full or current work capacity.

The interactive dashboard on the CSP Performance Data webpage:



The data in the image above is an example only and should not be used or referred to for any purpose.

## Employer size filter

The 'Employer size' filter is based on Average Performance Premiums (APP) or Group Average Performance Premium (GAPP) comprising of:

- Small Employers – APP less than \$30,000.
- Small-Medium Enterprise (SME) – APP between \$30,000 and \$200,000.
- Medium Employers – APP between \$200,000 and \$500,000.
- Large Employers – APP greater than \$500,000.

Employers with 'related' businesses that have grouped their policies should use the Group Average Performance Premium (GAPP) when using the filter.



### For further information:

- On the Group Average Performance Premium (GAPP), refer to [Grouping insurance for related businesses | icare \(nsw.gov.au\)](#).
- On premium calculations for experience rated employers with Average Performance Premium of over \$30,000, refer to [Premium calculation experience rated | icare \(nsw.gov.au\)](#).
- On premium calculations for non-experience rated small employers with Average Performance Premium of \$30,000 or less, refer to [Premium calculation small for employers | icare \(nsw.gov.au\)](#).

Currently employers with Average Performance Premiums (APP) or Group Average Performance Premium (GAPP) of more than \$500,000 are eligible to choose their CSP. From 30 June 2024, employers with an APP or GAPP of more than \$200,000 will be able to choose their CSP when they renew their policy. Employers will be notified when they are eligible.

### Claim types

The claim types available in the filter are:

- Physical claims only – injury that is physical in nature.
- Psychological claims only – injury that is psychological in nature.
- Physical and psychological claims – the sum of physical and psychological claims.

### Industry categories

The industry categories in the filter are:

- Construction
- Health and Community Services
- Manufacturing
- Property and Business Services
- Retail and Wholesale Trade
- Transport and Storage
- All Other – these industries are smaller and have been grouped together as one: Agriculture, Mining, Electricity, Accommodation, Communication, Finance, Government, Education, Cultural and Personal industries.

**Note:** The data only applies to the Nominal Insurer and does not currently include results for the NSW Treasury Managed Fund (TMF) which covers NSW government employees.



### **Why are there small volumes for some Claims Service Providers?**

Changes to the workers compensation claims model, which commenced in January 2023, introduced six CSPs (Allianz, DXC Technology, EML, Gallagher Bassett, GIO and QBE) to manage claims for the Nominal Insurer. The previous model had a single CSP (EML) for most new claims. As a result, claims volumes from EML will be higher in most cases than other CSPs. Over time, claims volumes will become more balanced across CSPs.

For those CSPs with low volumes of claims, claims data will appear volatile especially when filters are applied and may vary greatly from the overall scheme performance. Results are only displayed for CSPs who have 30 or more claims in the selected sample. Where there are less than 30 claims, only the volumes will be displayed in the table above the graph. Results may not be displayed where there is insufficient volumes in the period. This will likely be the case for newly transitioning CSP's.

### **How does icare's CSP performance data compare with data published by SIRA?**

The State Insurance Regulatory Authority (SIRA) publishes a range of data in relation to the Nominal Insurer. Any differences with icare's CSP performance data will be due to the parameters and the timing of the data sets.

## Satisfaction

### Introduction

icare measures the Satisfaction of injured workers and employers throughout their journey with icare, whether directly or through Claims Service Providers, with a Customer Satisfaction (CSAT) score. The CSAT is a globally recognised metric and it helps us and our providers understand how we engage with injured workers and employers, and take action to improve outcomes.

### Explanatory notes on the Satisfaction score

Injured workers and their employers receive survey invitations at multiple points of their claims journey. These include on claim notification, when payments are made, 12 weeks after notification, and claim closure. Certain claims are excluded from surveying based on sensitivity reasons, which include fatality, deafness claims, asbestos claims, claims transitioning off the scheme (as a result of reaching statutory maximum benefits) and workers or employers that have unsubscribed to the survey invitations. Resting periods (based on age of claim) are applied after survey completion, which define the amount of time the worker or employer can be surveyed again for the same claim.

The surveys used for this measure relate to claims reported from 1 January 2023. The question in the surveys are a 5-point scale, ranging from 1 (Extremely Dissatisfied) to 5 (Extremely Satisfied). The 'Satisfaction score' refers to the proportion of all 'satisfied' responses (4 or 5) divided by total survey responses for the specified period. The result for each month reflects a quarter (three-month rolling period) – for example, June consists of surveys recorded in April, May and June. A result will not be displayed where there is insufficient data with the total surveys in the period less than 30. This will likely be the case for newly transitioning CSPs.

## Compliance – Initial Weekly Payments

### Introduction

If a worker is injured at work, they may be entitled to weekly payments. The insurer is required to commence weekly payments within seven days of receiving the claim unless a reasonable excuse applies. This means a CSP may start paying the injured worker weekly payments and medical expenses on a provisional basis while they assess the claim.

### Explanatory notes on Initial Weekly Payments

The claims selected for the Initial Weekly Payments measure are claims where:

- liability status is accepted or provisionally accepted (weekly and medical payments)
- work status codes and time loss records indicate that the work had a time/wage loss that was effective within 7 days of the claim being received, and
- more than 7 days has elapsed since the claim notification date

Compliant claims are where the weekly benefit has been approved within seven calendar days of the claim report date or when it is the employer that is paying the worker and being reimbursed by the CSP, the relevant liability letter has been sent to the employer within seven calendar days of the claim report date authorising the employer to pay the worker at the applicable rate. Results represent the total for the quarter and are shown for CSPs with 30 or more claims.

## Compliance – Liability Decisions

### Introduction

Claims Service Providers must make an initial liability decision on a claim within the legislated timeframe (seven calendar days). Making initial liability decisions promptly, informed by careful consideration of available information and proactive consultation with key stakeholders will ensure that workers and employers can focus on recovery and return to work.

Based on information received, the provider will make a decision to accept or decline full liability. Those that do not initially accept full liability must commence payments under provisional liability (PL) unless a 'Reasonable Excuse' (RE) applies. A Reasonable Excuse is defined in the [Workers Compensation Guidelines](#).

Results will be shown for claims received in the quarter and for CSPs with 30 or more claims.

## Caseloads

### Introduction

Case managers are the foundation of our support system for injured workers; they play a crucial role in the delivery of treatment and optimal return to work outcomes. The Nominal Insurer monitors CSP case management resourcing to ensure providers have access to the optimal number of appropriately experienced case managers.

Ensuring CSPs have adequate and appropriate caseloads supports our goal to help injured workers in their recovery and return to work and to provide employers with an improved workers compensation experience.

### Explanatory notes on Caseloads

Caseloads refer to the average number of open claims managed by case managers for each CSP. In some CSPs, open claims managed by a case manager may include claims that are awaiting closure.

It's important to note that CSPs may structure the management of their caseloads differently depending on the employer. In addition, some CSPs are specialist providers and may have specialist teams with dedicated caseloads. Claims Service Providers should be contacted directly for further information on how they manage their caseloads.

Note also that the two newly transitioning CSPs, Gallagher Bassett and DXC Technology, will not have caseloads published until sufficient time has passed for their teams to have taken on a full set of new claims. As the number of their open claims reaches stability, icare will publish their caseloads.

# Glossary

## Average Performance Premium (APP)

The Average Performance Premium for the policy is calculated in accordance with the formula specified in the Insurance Premiums Order for the appropriate policy renewal year.

## Caseloads

The average number of open claims (captured at the end of each quarter) managed by each case manager employed by CSPs to manage workers compensation claims. It does not include claims that were closed during a quarter.

## Claims Service Providers (CSPs)

Claims and injury management providers that partner with icare to manage workers compensation claims on behalf of the Nominal Insurer.

## Group Average Performance Premium (GAPP)

The Group Average Performance Premium (GAPP) is used by employers with 'related' businesses and have grouped their policies together.

## Initial Weekly Payments

The first weekly benefit payment approved within seven calendar days of the date the claim is reported, or when it is the employer paying the worker, the liability letter authorising the employer to pay the worker sent within seven calendar days of the date the claim is reported

## Liability Decisions

Liability decisions made within the required seven days from the date a claim was reported to the Claims Service Provider.

## Nominal Insurer (NI)

The Nominal Insurer (NI) is the largest private sector workers compensation insurer in NSW and administers the NSW Workers Compensation Insurance Fund. It manages approximately 62,000 new claims each year and provides income protection, treatment and care and return to work support for people who have sustained a workplace injury or illness.

## Return to work (RTW)

The percentage of workers who have been off work for at least one day and returned to work with the same or different employer at full or partial work capacity. It is based on work status codes used by insurers to record the current work status of a worker. The codes categorise whether a worker is 'working' or 'not working'.

## Satisfaction score

icare measures the Satisfaction of injured workers and employers throughout their journey with icare with a Customer Satisfaction (CSAT) score. The CSAT is a globally recognised metric used by organisations, and it helps us and our providers understand how we engage with injured workers and employers and take action to improve outcomes.

## Working rate (WR)

The percentage of workers who have been off work for at least one day and returned to work with the same or different employer at full or current work capacity and workers who have not been off work and remained at work with the same or different employer at full or current work capacity. It is based on work status codes used by insurers to record the current work status of a worker. The codes categorise whether a worker is 'working' or 'not working'

