

## We Can make a Difference

Employer receives penalties for not declaring super as wages for workcover audit, whilst aware of their mistake the associated cost of the audit and late fees caused consider angst. Finsura Workers

Compensation Services were able to support the employer in getting the audit and late payment fees waived.

The same employer had a claim at maximum premium impact and a review of the claim confirmed that the insurer had incorrectly coded the claim, resulting in a large savings for the employer.



## Knowledge is everything



A business was due to renew their workers compensation policy on the 22 November 2010. On 8 November 2010 our services were employed to review the claims from a financial, strategic and injury management perspective on behalf of the client.

### *Their workers compensation portfolio consisted of two claims:*

- i) Injured person fit for suitable duties reduced hours. Estimate applied by insurer was applicable Section 40 rate x estimated period of incapacity (52wks as per workcover estimating guidelines). We were able to negotiate an upgrade to full hours prior to renewal, thus eliminating the wage component from the estimate.
- ii) Injured person underwent total knee replacement surgery on 19.10.2010. Estimate applied at time was weekly wage rate x estimated period of incapacity (312 weeks as per workcover estimating guidelines). Through liaison with the treating specialist we were able to obtain commitment for return to work 6 weeks post surgery thus enabling the estimate to be reduced to the weekly wage rate x 6 weeks instead of 312 which substantially decreased the estimate.

Claims experience and estimated claims costs had a direct impact the premium calculations for this client. Prior to our involvement these claims incurred a cumulative estimate of approx \$310,000. Prior to renewal, we were able to reduce the claims estimates by \$170,000.00 and therefore reduce the employers premiums substantially.

## When is the time to Act .....



An employer had a worker with a back injury and pre-existing condition which they weren't aware of until after the aggravation was accepted by the insurer. The worker was certified fit for suitable duties full hours with multiple restrictions which made it impossible for the employer to have the worker on pro-

ductive duties. Employer was also concerned about the impact this situation was having on the organization as the worker was taking liberty with the situation whilst receiving treatment through working hours etc. From a financial perspective the employer was concerned with the impact the claim would have on their premium, if they were to withdraw suitable duties and loss control of the claims management .

### ***The employer had the following options :***

***Worker to remain on suitable duties but had to be micro managed.***

***Withdrawing duties until the worker was able to return to work on normal duties.***

***Withdraw duties and have the worker engage in job seeking.***

After renewal we organized a meeting with the insurer, Rehabilitation provider, employer and discussed the outlined options. Upon reviewing the claim, nature of the workers injury and the possible scenario's ( both financially and culturally ) it was agreed that suitable duties were withdrawn but an agreement between all parties to have the worker job seek intensely for the next 12 weeks with a review between all parties after 8 weeks. At the meeting responsibilities and accountability of actions were clearly identified as each party had their role to play in achieving a beneficial outcome.

After 7 weeks of intense job seeking the worker had been able to obtain gainful employment with another organization with no future wage loss. Not only did this decrease the claims estimate dramatically but the worker obtained a final medical certificate thereby allowing the insurer to commence closure of the claim. It also gave the employer the opportunity to move forward with their core focus not being reactive to claims management. Timing was critical in achieving this outcome as knowing when to take the chance is an important as the action itself.