

Part C

RETURN TO WORK

Comparison of return to work performance
across the workers' compensation schemes

INTRODUCTION

This part of the report contains performance indicators for the objective: *effective injury and disease management*.

The indicators are based on data from the 1997/98 and 1998/99 *National Return to Work Monitors* conducted for the Heads of Workers' Compensation Authorities. Not all jurisdictions participate in the survey. In 1997/98 the survey was conducted in New South Wales (NSW), Victoria (Vic), Queensland (Qld), South Australia (SA), Tasmania (Tas) and Northern Territory (NT). This year's survey also includes the ACT Government Sector and the Commonwealth (C'wlth), while NT declined to participate.

The 1998/99 survey includes results from 3,095 respondents from two sets of interviews conducted in November 1998 and May 1999. For the preceding survey a total of 2,907 respondents were interviewed in November 1997 and May 1998.

The sample selected for the survey consisted of injured workers who:

- had submitted a claim eight to nine months previously (seven to nine months for Tas, the ACT and C'wlth due to the smaller population size);
- had, inclusive of any excess, more than 10 days compensation paid; and
- had not been included in another workers' compensation survey in the previous 12 months.

The analysis looks at:

- 1 durable and non-durable return to work. This is achieved by comparing the proportion of injured workers returning to work who, at the time of the survey, had a paid job ('durable' return to work) or who had returned to work at some stage since the lodgement of their claim but were not working in a paid job at the time of the survey ('non-durable' return to work);
- 2 reasons why injured workers are not at work.;
- 3 partial return to work;
- 4 alternative duties on return to work; and
- 5 the use of return to work plans.

The following charts represent performance indicators derived from the return to work survey and time series comparisons have been made between 1997/98 and 1998/99.

Durable return to work

Figure 1

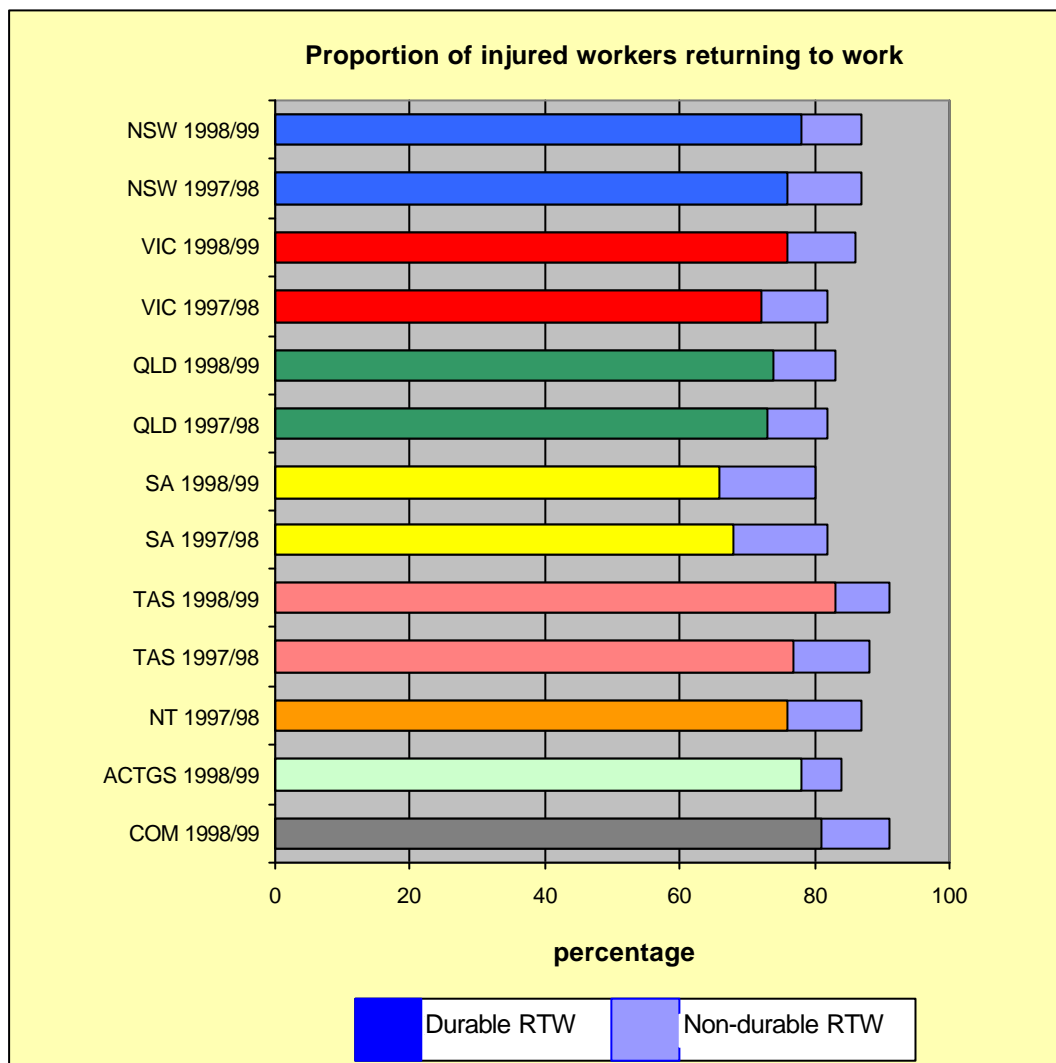


Figure 1 shows the proportion of injured workers who reported durable return to work (ie, working) and non-durable return to work (ie, had returned to work since injury, but not working at time of survey).

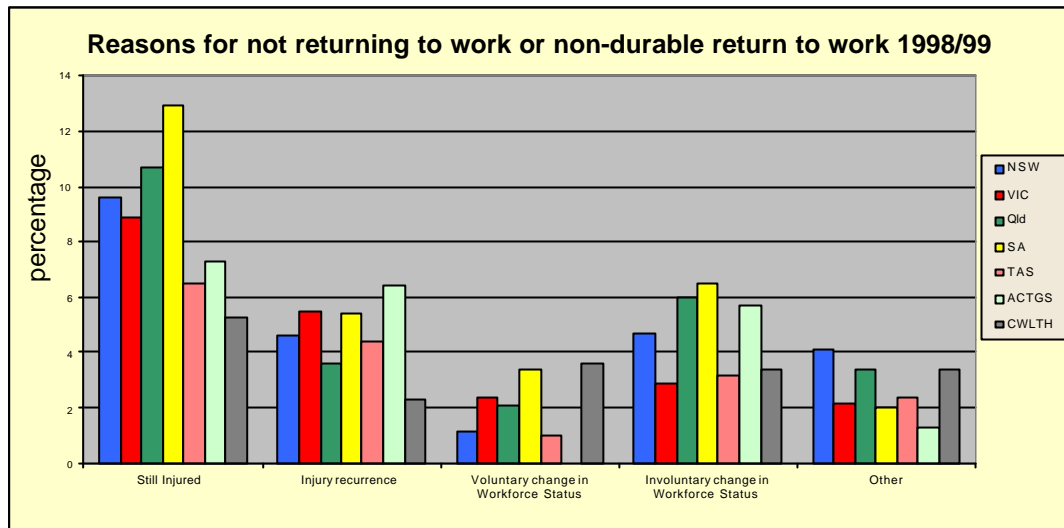
Nationally, (ie., combining all survey data), in 1998/99 an average of 76% of injured employees returned to work and remained working at the time of the survey (an increase on the 1997/98 outcome of 74%) .¹ Between a worker's injury and the time of the survey, on average 86% returned to work at some point.

As illustrated in Figure 1, the 1998/99 results reveal a marginal improvement upon the previous year for both durable and non-durable return to work rates. National averages for 1997/98 were 74% and 85% respectively. The largest increases in durable rates were observed in Tas and Vic. SA experienced a slight decline.

¹Numbers relating to Australia (in all figures) are a weighted average of the results from each participating jurisdiction.

Reasons for no or non-durable return to work

Figure 2a



Figures 2a & 2b include those injured workers who had not returned to work at all by the time of the survey *plus* those injured workers who returned to work at some stage but were not at work when surveyed (ie., non-durable return to work). An injured worker may not be at work for one of the following broad reasons:

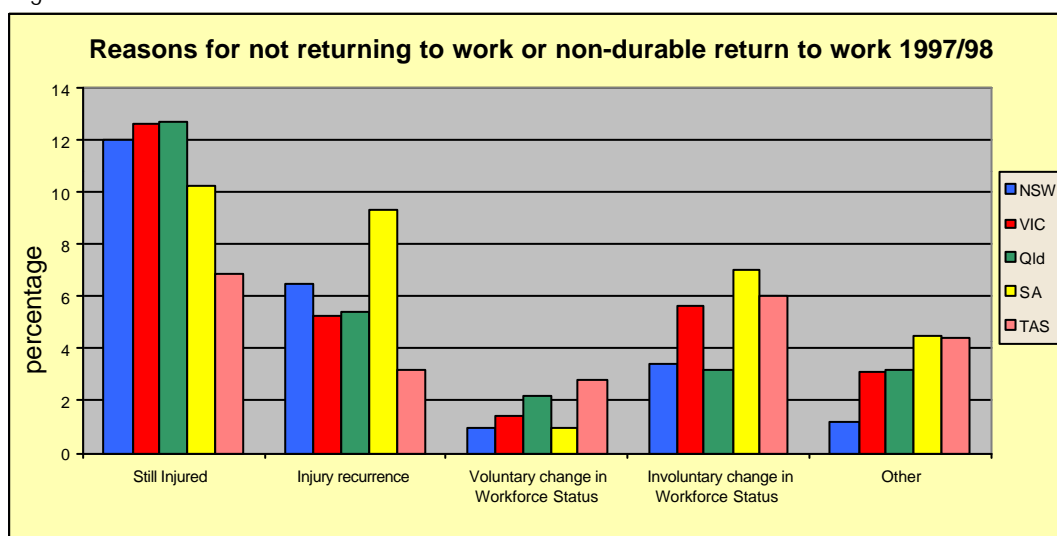
- still injured, recurrence of injury or new injury;
- voluntary change in workforce status (ie., resigned, retired, studying);
- involuntary change in workforce status (ie., retrenched, business closes, no work available); and
- other reasons (which are unspecified in the survey).

Nationally, 24% of all injured workers had not returned to work or experienced non-durable return to work, at the time of the survey. This reveals an improvement upon the previous year's result of 26%.

For both periods, the main reason for 'not at work' is injury (ie., still have the injury, a recurrence of the same injury or a new injury). On aggregate, however, the relative importance of injury recurrence has diminished. The largest fall was observed in SA with a decrease of 41.9%.

Also in both periods, only a small proportion of those surveyed were not at work for voluntary reasons.

Figure 2b



Full and partial return to work

Figure 3

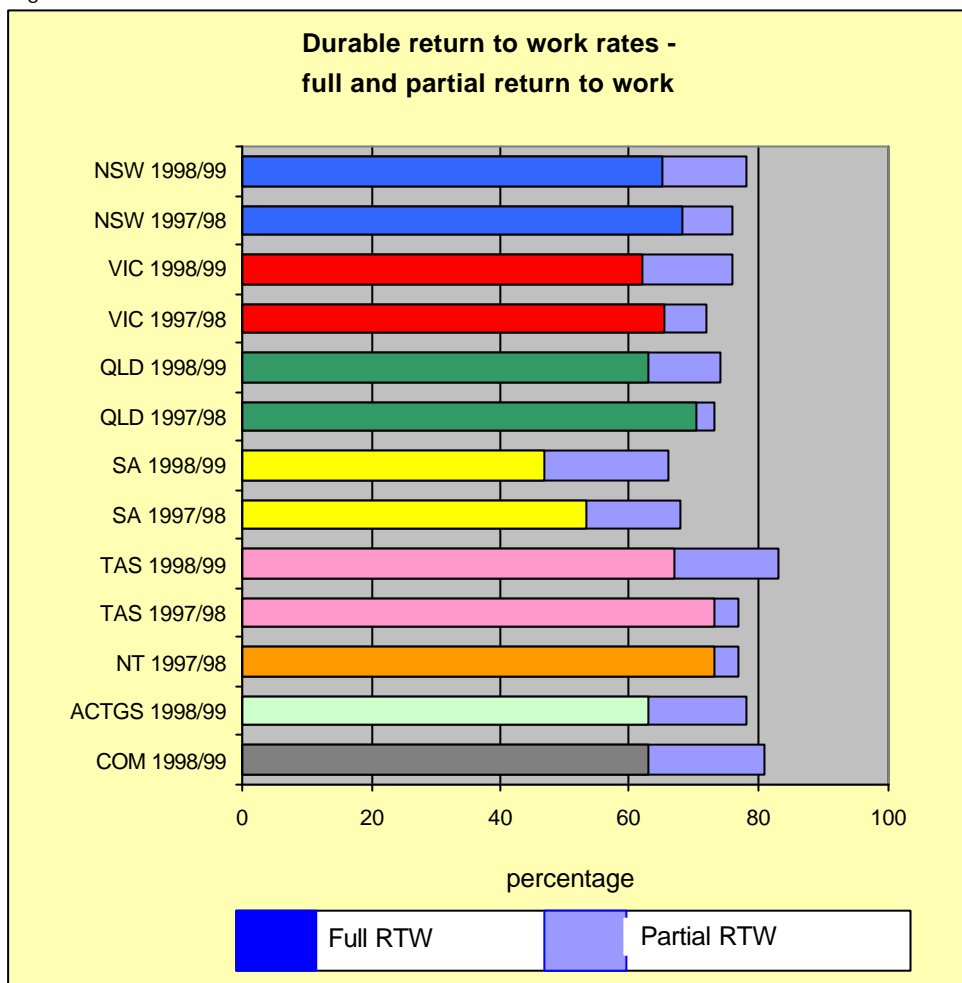


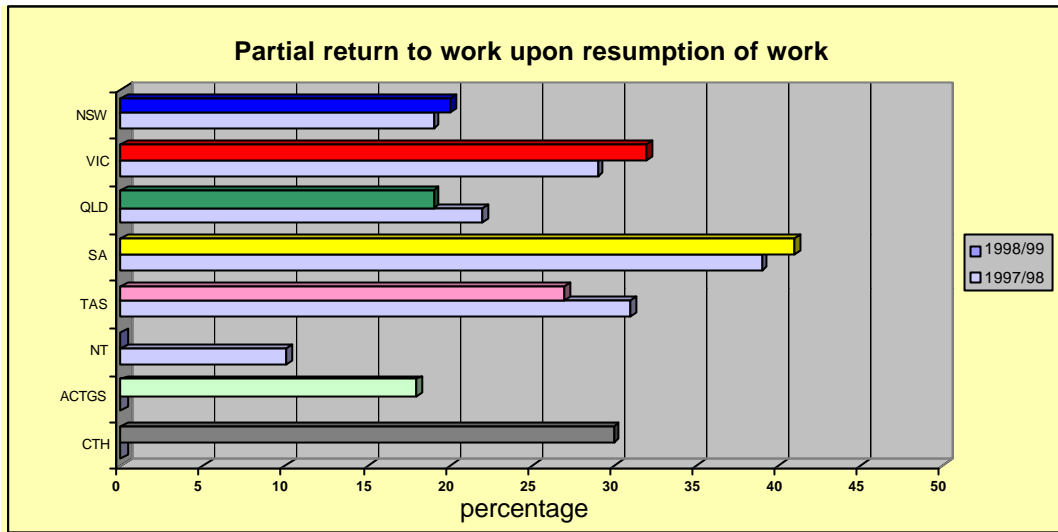
Figure 3 provides a breakdown of ‘partial return to work’ and ‘full return to work’. However, this data is based on the injured employee’s reported sources of income at the time of the survey. If an employee reports that they are receiving income from both employment and workers’ compensation benefits, then they are classed as ‘partially returned to work’. If the employee is receiving income from employment, and not from workers’ compensation benefits, then they are classed as ‘fully returned to work’, regardless of their hours of work or duties.

Over the two years, the proportion of those who fully returned to work has diminished in every State for which trend data is available.

The proportion of injured employees partially returning to work has risen in every jurisdiction for which trend data were available. The largest expansion in partial return to work was observed in Tas, which saw a combination of overall return to work rates increasing and full return to work decreasing. Differences in partial return to work rates may, to some extent, reflect differences in rules regarding continuing eligibility for workers’ compensation payments following a worker’s return to work.

Partial return to work

Figure 4a

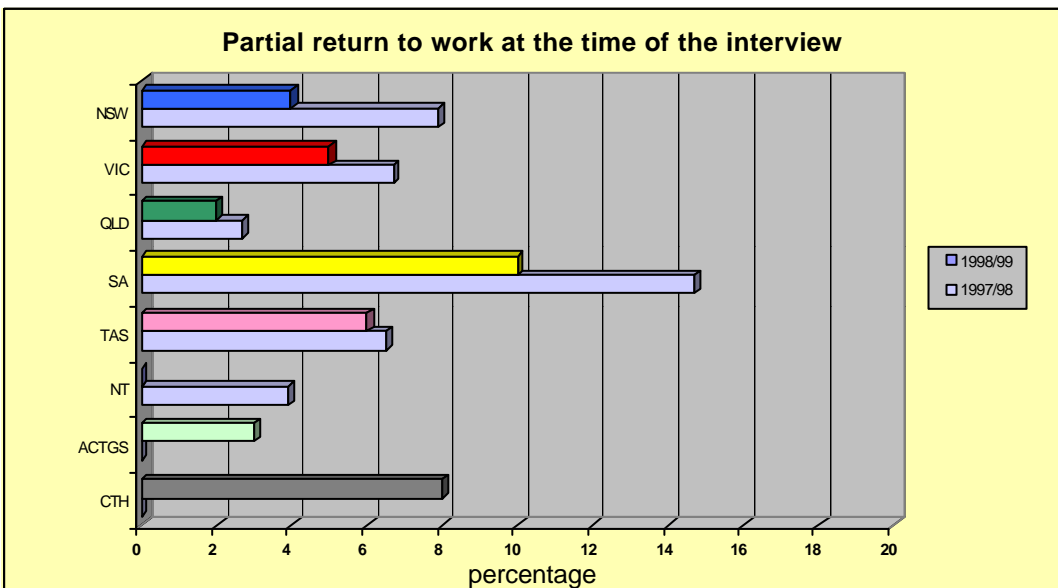


Figures 4a & 4b provide an indication of the nature of the return to work process. Nationally, 24% experienced partial return to work in the first instance (ie when they first returned to work). This result was identical to the previous year.

By the time of the survey, the proportion who were working on a partial basis was only 4%, a reduction from the 7% recorded in the previous survey. NSW almost halved the number of respondents who reported working partially at the time of interview and SA also experienced a considerable fall.

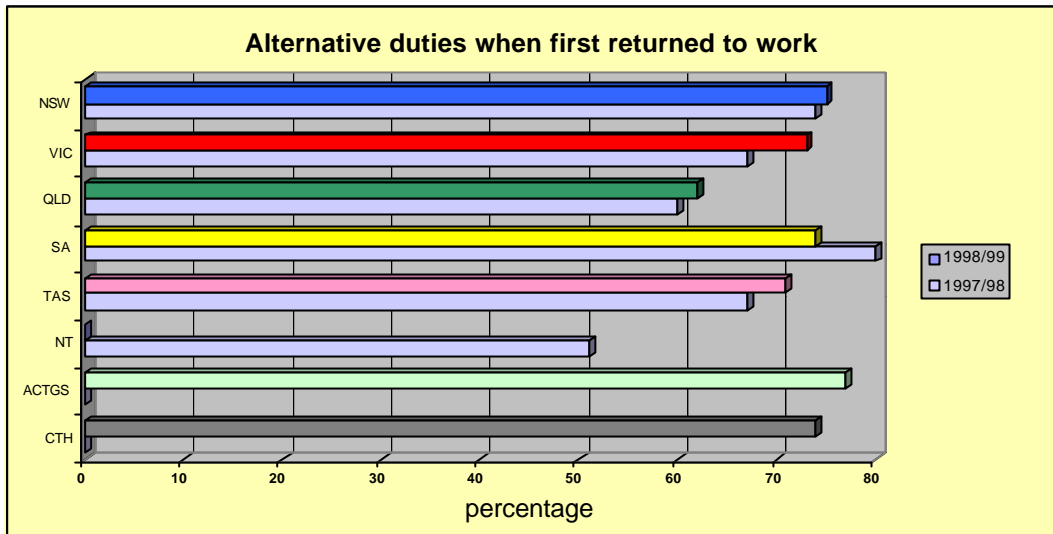
There is little apparent correlation across jurisdictions between the extent of initial partial return to work and the extent of durable return to work.

Figure 4b



Alternative duties

Figure 5a



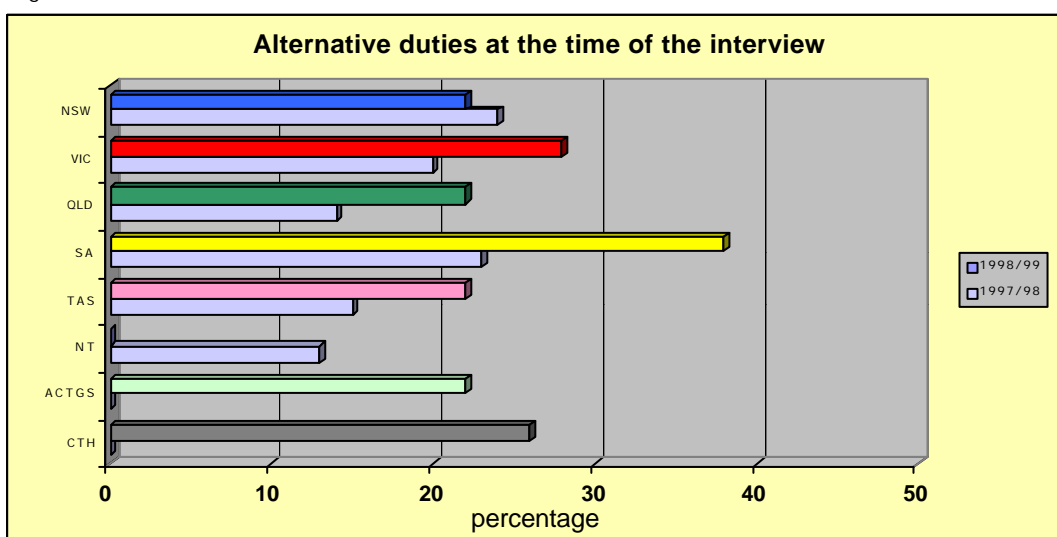
Figures 5a & 5b provide another indicator of the nature of the return to work process. Nationally, the proportion of injured workers undertaking alternative duties when they first returned to work was 71%, a slight increase from the previous year's rate of 70%.

The proportion of employees performing alternative duties upon their resumption of work increased in all but one of the jurisdictions for which trend data was available. The jurisdiction which witnessed the fall had the highest rate in the preceding year and, across States and Territories, the proportion of employees returning to perform alternative duties appears to be converging.

By the time of the survey, which was 8-9 months later in 1998/99, this had reduced to 24%. In 1997/98, the proportion of employees undertaking alternative duties at the time of the interview was 17%. All but one jurisdiction, for which trend data is available, witnessed an increase in the proportion of employees performing alternative duties at the time of the interview.

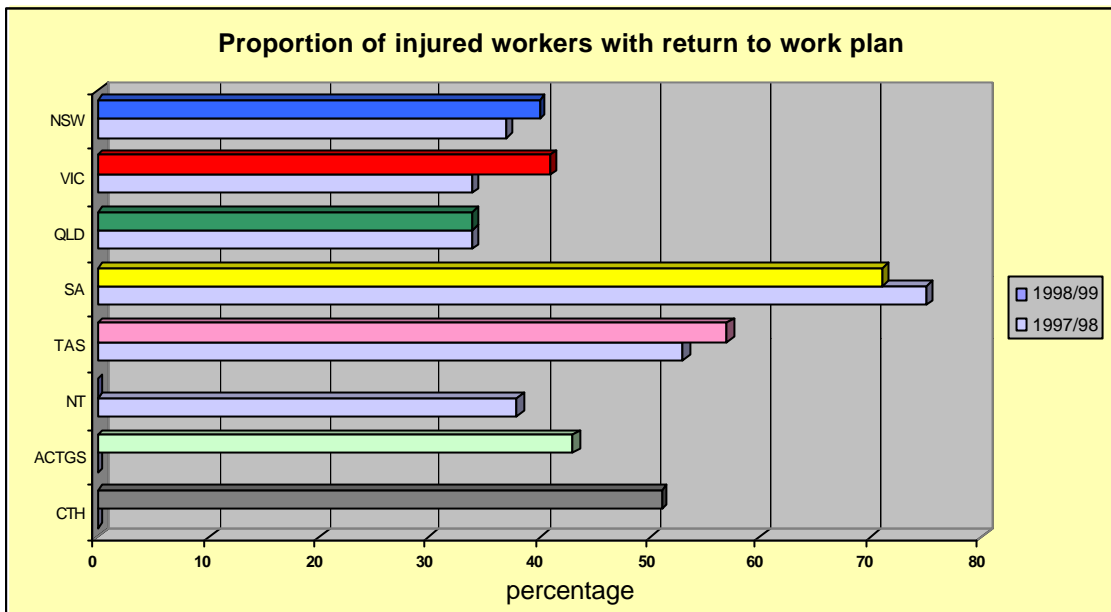
There is little apparent correlation across jurisdictions between the extent of durable return to work and the extent of alternative duties when first returning to work.

Figure 5b



Return to work plans

Figure 6a



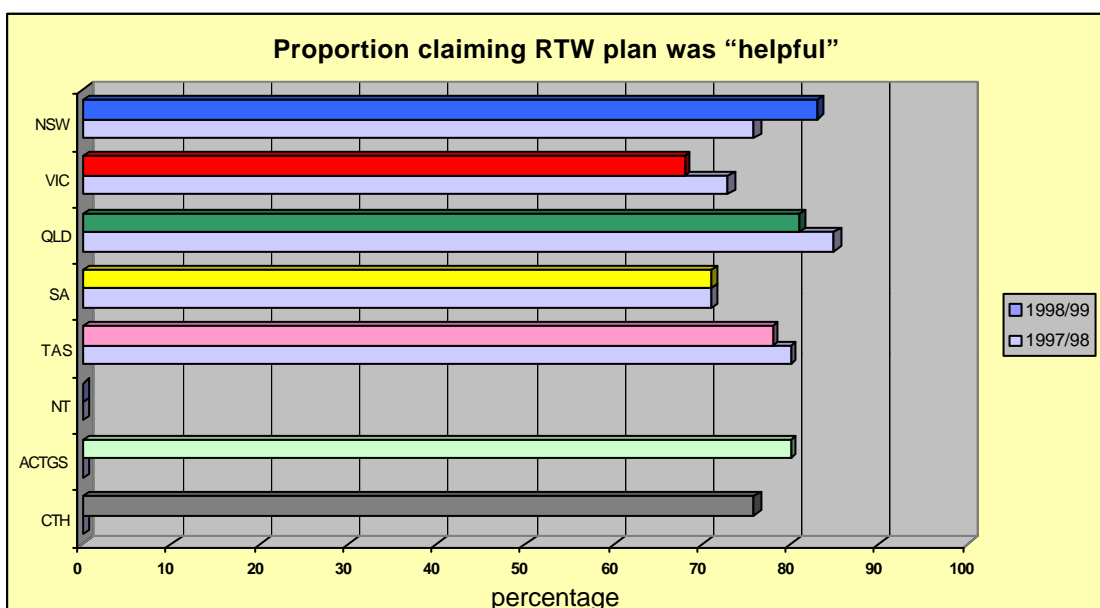
Figures 6a & 6b represent the proportion of all injured workers that had a return to work plan, whether or not they actually returned to work within the survey time frame. Also represented is the perceived 'helpfulness' of the return to work plan, for those who received one.

Nationally, 42% of all those surveyed had a return to work plan. This represents an increase in the utilisation of return to work plans, compared to the 1997/98 outcome of 39%. An increased use of work plans was observed in the majority of instances, with the only decrease occurring in SA, however SA still, and by a significant margin, reported the highest use of work plans.

Nationally, as a proportion of those injured employees with a return to work plan, 78% claimed that the return to work plan was helpful, this represents a marginal increase from the 1997/98 outcome when 76% perceived the plan to be helpful.

The different jurisdictional requirements of a return to work plan should be taken into consideration when assessing results relating to return to work plans. For example, in Vic, return to work plans only need to be developed after 20 or more days of paid compensation.

Figure 6b



Jurisdictional comments

New South Wales

In the 1998 Report, NSW commented on the limited value of the Report as a comparative tool. The development of the 1999 Report included a focus on factors affecting comparability. However, the process continues to highlight the difficulties in adjusting for scheme differences and other influences on claims rates. At this stage, care needs to be taken when comparing the incidence of work related disease and injury across the jurisdictions. The ability to make fair and definitive comparisons between jurisdictions is an ongoing issue for the Comparative Performance Monitoring System and NSW believes that continuing attention to improving the comparability of the data is essential for the future of CPM.

It is important to note that, because of the adjustments made to account for scheme differences, the data presented in this report differs in some cases from WorkCover NSW's published data elsewhere.

Data used in charts 30 or more days/60 or more days are based on the actual number of days off work provided by the insurers. The quality of this data item was found to be less reliable and, therefore, disaggregated data should be used with caution.

Queensland

Queensland considers that the reported results for Comparison of Benefits Paid to Employees and Other Scheme Costs (Section B3) must be viewed in the context of the financial and other goals of the respective schemes.

Queensland workers' compensation legislation requires the scheme to be fully funded. Following a scheme deficit in 1994/95, priority has been placed on restoring the scheme to full funding and achieving solvency levels. Figure 2a could be interpreted as Queensland having a sizeable surplus when in fact estimations of liabilities are relatively conservative to ensure continued scheme solvency. It is noted that the comparison will be affected by the return on investment income for each scheme.

South Australia

SA acknowledges the improvements in data collection and confidence and the added value of two year trend comparisons. Notwithstanding these improvements, the second CPM report retains an as yet uncertain component of comparison of workers compensation scheme characteristics. As a high benefit scheme and an easily accessible scheme, the SA system encourages greater injury reporting. Nevertheless, this data is now being used to provide industry indicators, insurers and enforcers with valuable information relating to industry injury trends and the experiences that can be learned from other jurisdictions.

ACT

The ACT has found this comparative process, at its broadest level and noting the limitations of benchmarking different scheme data, to be of considerable use in the current developmental work being undertaken to improve the private sector workers' compensation system in the ACT. The information is also used in focusing on particular industries throughout ACT Safe 2000+ campaign.

As part of the developments required to improve the ACT system, new workers' compensation data is being finalised. It is expected that this will enable the ACT to contribute fully to this process in the future. In the meantime, the assistance of both the private sector privately underwritten insurers and Comcare, as the government sector insurer, are acknowledged as the sources of the data for the ACT.

Seacare

The Seacare Authority advises readers that there remains some unreliability in the data upon which Seacare scheme input to this report is based, which may distort some outputs. On this basis, the Authority recommends that readers exercise caution in making comparisons based on the material contained herein. Active steps are being taken to improve data reliability for inclusion in future CPM reports.