

Webinar – 19 February 2015

“Do you have the right insurance cover and best practices in place to minimise your premium?”

Today’s session

“Do you have the right insurance cover and best practices in place to minimise your premium?”

This webinar is specifically designed for the Health and Community Care industry but the principles and concepts can be applied across all industries.

The session will help employers understand their insurance obligations and explore best practice injury management strategies.

We will present practical insights from both WorkCover Queensland and a leading employer from the wider Health and Community Care industry.

Who makes up the wider health and community care industry?

The industry is made up of the following

- Hospitals (public and private)
- Medical and other health care services, such as general practice and specialist medical services, pathology and diagnostic imaging and allied health services
- Residential care services
- Social assistance services (including disability services and child care)
- Ambulance services

Premium snapshot

There are approximately 9000 employers with policies across the wider industry with 93% being employers with declared wages under \$1.5M

The total premium collected across the industry is \$186M

Claims snapshot

Health and community care workers lodge over 10,000 new statutory claims each year; costing over \$73M each year in compensation payments.

This doesn’t include the costs of any common law claims.

The most common injuries are:

- Musculoskeletal injuries accounting for 63.3% of all injuries
- Wounds, lacerations and amputations accounting for 13.1% of all injuries

The most common age group is the 50 to 59 years old age bracket accounting for 29% of injuries,

The average number of days to first RTW in relation to work-related injuries is 24 days.

While today’s webinar has a Health and community care theme and flavor, the concepts and discussions are applicable across all industries.

Do you have the right cover?

While most employers are aware that workers’ compensation insurance is compulsory if they employ workers in Queensland topics such as who to should they cover and what wages to declare can sometimes cause confusion.

It is important to ensure employers have the right cover, not only for the wellbeing of their workers, but also to avoid potential penalties should they be found to be uninsured (operating without a policy) or under insured (not covering all of their workers)

How do I make sure I have right cover?

To maintain appropriate and right cover for your business, Queensland employers simply need to follow the two steps, which are –

1. Determine who is a worker for their business and
2. Declare correct wages for these workers during the annual premium renewal (From 1 July to 31 August each year)

Let's go through these steps in a bit more detail.

Step 1 – Who is a worker?

Essentially, in July 2013, the definition of a worker was changed to align with the Australian Taxation Office (ATO) definition.

So what that means is – a worker is *'a person who works under a contract and, in relation to the work, is an employee for the purpose of assessment for PAYG withholding under the Taxation Administration Act 1953 (Cwlth), schedule 1, part 2-5'*.

A 'contract of service' is a standard employer and employee relationship.

Step 1 – Who is a worker?

Who is not a worker?

- Directors, partners and trustees
- Volunteers

Who may be a worker?

- Individuals
- Contractors and sole traders with an Australian Business Number (ABN)
- Individuals who generally work on an hourly rate or piece work rates and provide their tools of trade

It is important to note that under section 11 of the Act, a worker must be an individual.

Therefore, if you engage a corporation they will not be worker as only an individual can be a worker. The same applies if you have entered into an agreement with a partnership or trust for the services of the worker – they are not workers.

Volunteers are also not considered workers under the Act

For individuals you are engaging – all PAYG employees are workers and they have to be covered.

Contractors and sole traders are however engaged as individuals and may be a worker.

Those individuals being engaged under an ABN, please utilise the ATO decision tool to determine whether they are an employee or a contractor. If the individual is determined an employee by the ATO decision tool then they are workers for workers' compensation purposes and therefore need to be covered.

The ATO decision tool is located on our website

It will take you through a number of questions in relation how the person is being engaged and it will give you a definitive answer at the end – If the individual is deemed to be a contractor, you would not need to cover this person. Alternatively, if they are considered an employee then they will be workers and you must cover them for workers' compensation.

Examples of Individuals with ABN who will be workers include individuals who work on an hourly rate or piece work rates and provide their tools of trade will be considered workers – regardless of whether they are responsible for their own tax.

So once you have determined who is a worker for your business – you now need to ensure you declare the correct wages amount for each person to ensure you have appropriate cover.

Let's now look at step 2

Step 2 – What wages do I declare?

To help you to declare the correct wages for your workers, here are the most common inclusions and exclusions to consider when declaring wage payments during policy renewal:

Inclusions	Exclusions
<ul style="list-style-type: none"> Gross wages and salaries (<i>including annual leave, sick leave, long service leave</i>) Overtime payments All superannuation payments (<i>Compulsory Superannuation Guarantee Levy and any payments you make in addition to this</i>) Salary sacrifice by your worker Allowances which are not reimbursement of worker's expenses (<i>e.g. shift allowance, higher duties, site allowance</i>) Any benefits having a monetary value (<i>e.g. workers home garaging company car</i>) Board and lodging (<i>premises you provide to your workers</i>) Payments to individual contractors deemed workers (<i>excluding GST</i>) 	<ul style="list-style-type: none"> Allowances which represent reimbursement of worker's expenses (<i>e.g. travelling, car, removal, meal, education, living in the country or away from home, entertainment, clothing, tools and vehicle expenses</i>) All termination lump sum payments (<i>all other wage payments up to termination need to be declared</i>) Claims excess you have paid Federal Government funded paid parental leave Payments to directors, partners and trustees

Frequently asked questions

1. *What about volunteers who undertake activities with our business?*
2. *What about our personal carers who attend events with their clients outside of work and/or where the client pays for their attendance in some way e.g. movie tickets, travel etc?*

Helping you get the right cover

You can call us on our 1300 number to seek specific guidance and assistance on premium, worker determination and wages declarations.

We have also developed extensive articles, tools and resources on our website to assist employers including:

- Articles and case studies
- Industry sites
- Tools to assist in making correct determinations on who is a worker and therefore need to be covered for workers' compensation
- Wages Declaration working sheet and manual
- ATO decision tool

If you follow the above steps – it will assist you in maintaining the right cover.

Best Practice Injury Management

Having adequate coverage is essential for sound and safe business.

To help provide some insight into best practice injury management principles, we thought it best to go straight to one of our industry leaders, Endeavour Foundation.

For those who are not aware, Endeavour was successful in winning the 2014 Return to Work Award in the large employer category.

This has been a significant and rewarding journey for Endeavour in achieving this award.

So we thought let's get some insights directly from Endeavour on how they achieved this outcome.

Endeavour Foundation is an independent not-for-profit organisation supporting more than 3,300 people with a disability from more than 230 locations in Queensland, New South Wales, Victoria and South Australia.

Endeavour is one of Queensland's oldest charities, founded in 1951 when a group of parents joined together to provide an education for their children with a disability, unwilling to accept the limitations placed upon them by society.

Today Endeavour Foundation is a diverse community organisation providing person-centred support for people with a disability as part of the everyday community – through education, training and life-skill development.

I would now like to introduce Yvonne Paye.

Yvonne is proudly holding the RTW Award in the picture.

Yvonne has a background of accounting and administration; she is also a qualified counsellor (Lifeline). She has worked at Endeavour Foundation for the last 9 years having started in a senior administration position; before moving into OHS and then into injury management

She has RRTWC qualifications in NSW, Qld & Vic; a Diploma of Management and Cert IV qualifications in Training and Evaluation, Business Sales, OHS, Project management and Frontline management

Yvonne tells she gains enormous personal satisfaction in her current role, especially assisting and guiding supported employees through the return to work process. She also tells me that the role keeps her on her toes and allows her to meet many interesting people. I'm sure this is a common theme amongst our OHS and IM listeners.

Welcome Yvonne and thank you for taking the time to assist with today's session.

Can I start by asking what did Endeavour change in making this journey?

- OHS and IM team developed a strategic plan, in line with the organisational strategic plan; this has been supported by executive management
- Saturated front line managers with rehabilitation training
- Strong emphasis on early reporting and early intervention (e.g. injury notifications now sent to all levels of management)
- Strong emphasis on customer service provision for all staff
- Reviewed, simplified and updated all rehabilitation documentation

What lead you to make the changes/what were the triggers?

For any organisation making significant change, there can resistance from the wider organisation. What barriers did you have to overcome in implementing these changes?

- Training sometimes difficult to organise, due to time and budget constraints
- Reporting system doesn't always fulfil all needs and requirements (still under construction)
- Difficult to capture all managers due to geographical areas
- Managers don't always understand just how important early RTW is in the wider scheme of things

How did you engage with your line managers/How did you get them to take ownership?

So if you look back on your journey, what worked well?

- Training really helped to build rapport with Managers i.e. putting face to a name etc.
- Injury notifications helped higher level managers gain a better knowledge of injuries occurring in their respective departments
- Having a cohesive OHS and IM team that are all on the same page and striving to meet the same goals – this allowed us to gain organisational trust in what we are doing

How did you integrate OHS, IM and HR together as a team?

So what didn't work so well?

- Obtain feedback from injured staff members after their claim closes (i.e. survey form)
- Some managers still not communicating effectively

What does your feedback survey look like/include? How were you implementing it and how are you planning to use the feedback?

Like any successful organisation, I'm sure you haven't rested on your laurels, so what are now looking at now and moving forward?

- Look at alternatives for training delivery methods e.g. maybe Skype, go-to-meetings etc – this may assist with capturing a wider audience and address regional issues
- Implementing survey/feedback form
- Current training drive in relation to manager contact with IW
- Incident reporting and first level response injury management via phone

What does success look like to you?

Key messages

Make sure you have the right cover

- This can be achieved by having a valid accident insurance policy in place that provides adequate coverage to your employees
- Make use of the available WorkCover Queensland resources to help you accurately determine workers and correctly declare your wages

Best practice injury management principles

- Develop a strategic plan and communicate it at all levels of the business
- Support and develop injury prevention and management awareness and capability at all levels of management
- Review and simplify your OHS, rehabilitation and RTW documentation
- Foster and build a strong culture of early intervention including injury reporting and management
- Understand the importance of communication e.g. keep everyone involved and part of the process
- Look outside the box for different ways to deliver and access training
- Build a cohesive OHS and IM team

More Information

Thank you again for attending today's session.

A full recording and copy of the presentation/speaker notes will be available on our website in the next few days. We will also send out a quick summary document/FAQ following the webinar to address any questions we were unable to get to during the session.

You can also take a look at our other webinars and event videos on our website to learn about similar topics.

Our website has extensive information on premium, wages declarations, the health benefits of work, injury prevention and injury management principles.

There is also a dedicated Health and Community Care industry site with further resources available for review and consideration

We also have an exciting new initiative called Recover at Work which is helping us to deliver successful RTW outcomes for our injured workers and better outcomes across our industries. As an employer, you can become a part of this new and exciting initiative. Endeavour Foundation are already signed up and helping deliver outcomes right now.

I would encourage you to review the website and the related content.

We would welcome any feedback on today's session or suggestions for topics or formats for future sessions. There will be a short survey which will pop up at the end of the webinar to give you the opportunity to provide feedback or suggestions on today's session and/or future sessions.

Contact us

If you think of any other questions or feedback after the webinar has ended, please contact us directly via our Communications team. These contact details are on your screen now and also in your original confirmation email after you initially registered for the session.

Otherwise connect with us via our website, Facebook, Twitter, LinkedIn, YouTube or via our RSS Feeds.