

Rehabilitation: Managing Return to Work



A BETTER PRACTICE GUIDE FOR SENIOR MANAGERS AND SUPERVISORS



GREENADVERTISING 14569



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<http://www.anao.gov.au>

Information on Comcare publications and activities is available on the following internet address:

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ABBREVIATIONS/GLOSSARY

AAT	Administrative Appeals Tribunal (Federal)
ANAO	Australian National Audit Office
ANU	Australian National University
APS	Australian Public Service
CEO	Chief Executive Officer
CIS	Customer Information System
Compensable	Work related illness or injury for which workers' compensation is payable
Determining Authorities	Comcare, authorities and corporations licensed to self-insure and /or administer claims under the SRC Act and delegated authorities (ie the Military Compensation and Rehabilitation Service)
HR	Human Resources
OHS	Occupational Health and Safety
OHS(CE) Act	Occupational Health and Safety (Commonwealth Employment) Act 1991
PSMPC	Public Service & Merit Protection Commission
RTW	Return to Work
RTWP	Return to Work Plan
SRC Act	Safety, Rehabilitation and Compensation Act 1988

FOREWORD

This Better Practice Guide has been prepared as a practical tool for improving rehabilitation management within the Commonwealth. It builds on the work of the original guide ***Return to Work: A Guide to Workers' Compensation Case Management*** issued in 1996. Comcare and the ANAO saw the need to revise the Better Practice Guide to address the changing demands and expectations of the Commonwealth employment environment.

The recent review of workforce planning by the ANAO identified significant challenges to organisations intending to recruit and retain highly performing people. Competition between employers for high quality and skilled people is increasing, and is expected to continue for the foreseeable future. It is in agencies' best interests to invest in ensuring that employees injured or made ill in the workplace, are retained and successfully returned to work wherever possible.

This revised Better Practice Guide is one of several in the Human Resources (HR) area that the ANAO has published since 1995 with a view to helping agencies better manage the changing public sector environment. It provides supervisors, line managers and senior managers with practical guidance on staff management in relation to rehabilitation as well as providing a basis for any future audit in the area. It also reflects the emphasis being given to rehabilitation within the Commonwealth's workers' compensation scheme.

Rehabilitation can be an effective cost containment strategy but it requires continual review and improvement if good return to work rates are to be maintained and the trend to increasing claim duration is to be curtailed. As well, successful rehabilitation can do much for the morale of those immediately involved and for their workforce colleagues.

We encourage you to examine the guide and use the self-assessment tool provided as part of this kit of information. ***The Return to Work Self Assessment Guide*** will identify areas for improvement and can be the first step in the ongoing review of rehabilitation in your agency.



PJ Barrett
Auditor-General
Australian National Audit Office
June 2001



Barry Leahy
Chief Executive Officer
Comcare
June 2001

ABOUT THIS BETTER PRACTICE GUIDE

This guide is essentially for the use of two management groups, senior managers and supervisors. Section 1 provides a step-by-step approach to an organisational framework for rehabilitation management. Section 2 outlines operational information necessary for supervisors and line managers to fully understand their role in the return to work process and to assist an effective return to work of staff. Case managers will continue to be well served by the comprehensive training programs and reference material provided by Comcare, including the *Rehabilitation Handbook for Case Managers*.

The revision of this edition of the Better Practice Guide, first published in 1996, was based on:

- research, using computer assisted telephone interviewing of HR directors and case managers across Australia. This was undertaken in November 2000 by Orima Research Pty Ltd for the ANAO and Comcare. This is cited as 'ANAO/Comcare research' in this guide. Staff from almost all agencies with 100 staff or more were surveyed;
- interviews with specialist rehabilitation staff in nine large agencies which together employ over 75% of staff in the premium paying agencies;
- access to workers' compensation authorities' annual survey: *The Return to Work Monitor*; undertaken for those authorities by Campbell Research & Consulting
- research undertaken by Comcare and Campbell Research & Consulting on the impact of workplace culture on return to work. This is cited as 'Comcare/Campbell research' in this guide;
- Comcare rehabilitation data and other statistics; and
- a review of published best practice in the USA, Canada and other Australian jurisdictions.

Included in this edition of the Better Practice Guide are sections that:

- provide advice on **developing a policy framework** for improving effective rehabilitation management of injured workers and their return to work;
- explain actions and strategies at the workplace that can lead to improved outcomes;
- provide **tools for performance monitoring**; and
- outline additional **reference material to help the management process**.

The Guide contains practical advice and better practice examples from a broad range of agencies and also from the private sector. These address some of the challenges agencies have to manage in implementing timely and effective rehabilitation programs.

Copies of this guide are available directly from ANAO and Comcare. It can also be accessed on the ANAO internet site at www.anao.gov.au and the Comcare internet site at www.comcare.gov.au

Questions or comments on the guide may be referred to either the ANAO or Comcare at the following addresses:

- Australian National Audit Office
GPO Box 707
Canberra City ACT 2601
- Comcare
Rehabilitation Policy and Advice Group
GPO Box 9905
Canberra ACT 2601

WHY REHABILITATION IS IMPORTANT

Contemporary Public Sector Management

The Commonwealth public sector has undergone significant change over recent years. Service delivery has altered to include greater private sector participation, with public sector agencies having to more effectively manage the various demands of customer needs, government objectives, and external market forces. Central to meeting these demands is a highly effective workforce. In a competitive employment environment this means not only attracting the right staff, but also enhancing your ability to retain them for a reasonable time period.

Paying attention to competent rehabilitation management not only makes sense; it is indicative of a workforce culture where staff feel valued. This sense of value is an essential ingredient, not only for positive return to work outcomes, but in the broader area of progressive workplace relations which identifies an agency as having the interest and capacity to attract and retain good staff.

'It is increasingly recognised that long-term removal from the workforce of injured workers with a significant work capacity represents not simply an economic cost but one which carries with it huge social consequence both to the worker and ...family'¹

Understanding Risk

Over the last few decades we have seen many changes and improvements to our ability to deal with hazards. Much more emphasis is being placed on 'designing out' physical hazards and implementing engineering modifications to lessen risks from work. However, as technology rapidly develops, there are new challenges to effective injury and disease prevention. What was previously easily recognised as a danger or risk may no longer always be immediately apparent.

Managing for the future means continuing to inform ourselves about risks and more astutely anticipating the risks confronting our workforce. Known hazards will continue in the workplace and new ones will emerge. We need to continue to make improvements in effective injury prevention and management. Risk can be both an opportunity and a hazard. However, it has to be systematically identified, treated, monitored and reviewed.

History of Workers' Compensation Reform

Rehabilitation was a key element in Australian workers' compensation reform in the 1980s. Historically, compensation law was narrowly focussed on monetary compensation with little incentive for an individual to return to work. Following on from international initiatives, it became increasingly recognised that linking rehabilitation with compensation enables significant goals to be achieved, for the employer, the employee and the scheme. Adopting better rehabilitation practices increases productivity in the workplace, facilitates employees' return to optimum health and assists in the efficient management of scheme costs. Since the 1980s, rehabilitation initiatives have expanded in many jurisdictions to ensure a greater workplace focus, giving clear

responsibilities to the employers in managing the return to work process and requiring employees to actively participate in return to work programs. Along with this focus is an equal emphasis on prevention and effective hazard management.

The SRC Act

Reflecting the trend towards more reformist legislation, the Commonwealth public sector's workers' compensation arrangements were reviewed in 1986. Through this review it became clear that an absence of incentives to take appropriate and timely rehabilitation activity was one of the primary weaknesses of the scheme and one of the major explanations for the escalation of workers' compensation costs. Equally, there was acknowledgment of the importance of maximising an individual's potential to return to their pre-injury quality of life both for their own and the organisation's benefit.

A direct outcome of the review was the introduction of a new scheme in December 1988 under the legislative framework of the **Safety Rehabilitation and Compensation Act 1988 (SRC Act)**. Features of the Act include the following aspects.

No fault

There is no need for either the employer or the employee to demonstrate that one or other was at fault, or caused the injury/illness. This no fault scheme, with limited access to common law, enables a focus on rehabilitation and an active pursuit of return to work opportunities.

Incentives

The SRC Act is designed to motivate employers to reduce the costs associated with occupational injury through effective rehabilitation and proper preventative action. There are mutual obligations placed on employer and employee for rehabilitation management and active participation in the arrangements.

Employer/Employee Partnership

Successful rehabilitation relies on a consultative and cooperative environment. Under the SRC Act, your agency, as the employer, is the rehabilitation authority. This means you have responsibility to ensure that your injured employees receive timely rehabilitation assessments and effective rehabilitation programs. Ultimately, the employer has a responsibility to find suitable employment for the employee.

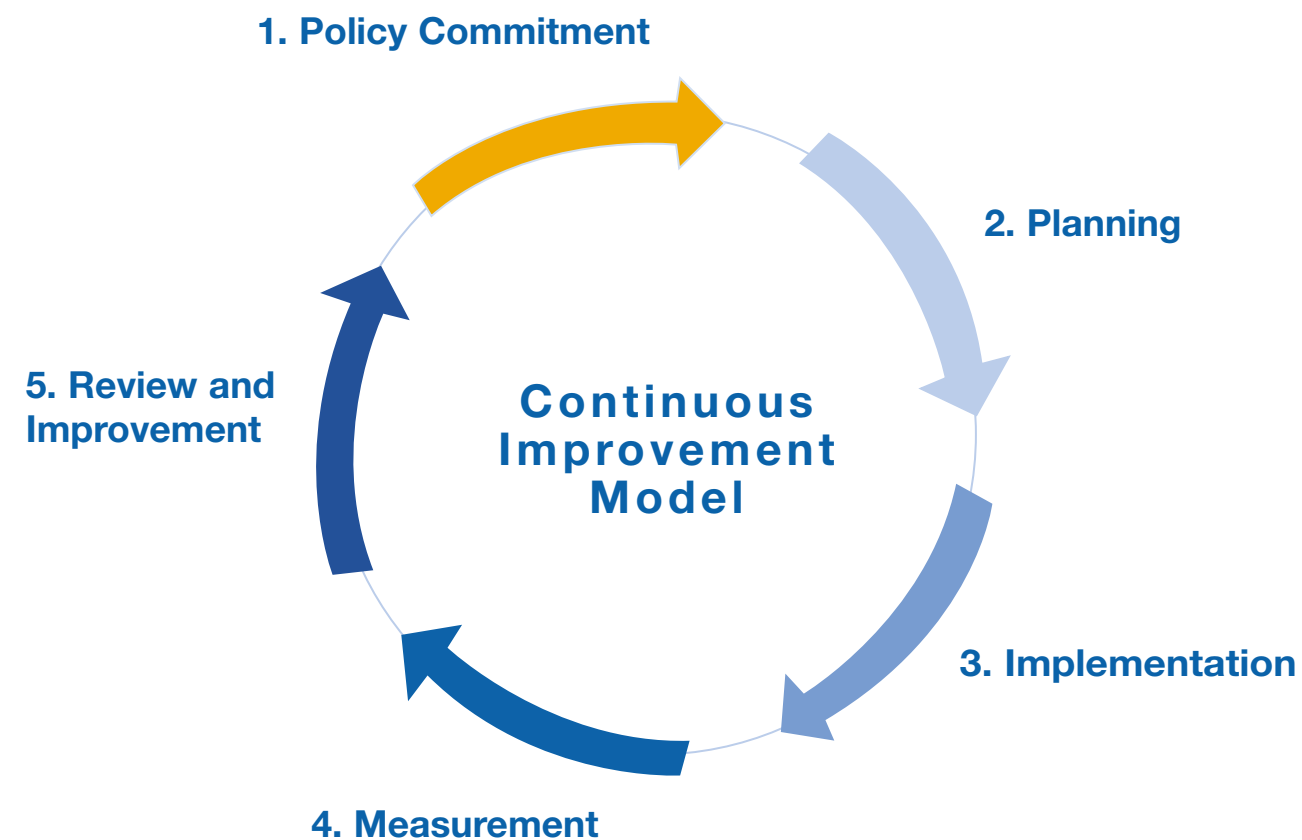
Section 41 of the SRC Act enables Comcare to set out rehabilitation guidelines for employers. The guidelines contain three core requirements for achieving durable RTW of injured employees in a quick, safe and cost effective way. These are that employers have in place a rehabilitation policy, managed rehabilitation programs, and early intervention and appropriate RTW strategies.

¹ Review of International and Jurisdictional Best Practice in Return to Work: A Report of the Return to Work Advisory Group 1996.



SECTION ONE – MANAGING RETURN TO WORK IN AN ORGANISATION: A FIVE STEP GUIDE FOR SENIOR MANAGERS

Figure 1 Rehabilitation Management: A Model for Continuous Improvement



The five step guide to rehabilitation management is based on the OHS management system model of the standard AS/NZS 4804. The model includes a set of five principles. These have been adapted to provide for continuous improvement of rehabilitation management in an agency. The continuous improvement model has also been incorporated in MSRIP (Management Systems Review and Improvement Program), the evaluation tool used by Comcare to assess the rehabilitation and claims management performance of licensees.

Step 1. Policy Commitment

Compliance

Your agency's rehabilitation policy should be responsive to your agency's unique environment and needs to be tailored accordingly. The purpose of the policy is to provide a public statement of commitment to managing rehabilitation and must be consistent with Comcare's section 41 guidelines. Comcare has developed a model of occupational rehabilitation to assist employers and employees to fulfil their mutual obligations.

The model of occupational rehabilitation is based on better practice principles.

These principles include the following:

- return to work activity should commence as soon as possible after injury;
- the employee's workplace should be the focus of their rehabilitation program;
- RTW plans are tailored to the employee's needs and are well coordinated, accountable and results oriented;
- the employee is actively involved in the development of their RTW plan; and
- the employer takes preventative action.

Commitment and leadership

Developing a workplace culture that responds positively to workplace injury in an effective and supportive way is an important foundation for successful rehabilitation. As a senior manager, you are in a position to make an unequivocal commitment to ensure that the incidence of workplace injury, absenteeism and lost productivity are kept to a minimum. At the same time, it is important that, when injury occurs, managerial commitment to effective and efficient case management is highly visible and that proper process is followed. It is important that managers at all levels communicate this ethos in the workplace and that it becomes part of the organisation's culture and, consequently, accepted practice.

An agency's rehabilitation policy will be strengthened if it contains a statement of managerial commitment to the RTW process and has been formally endorsed by your agency's executive.

Case Study 1: Australia Post Senior Management Commitment

At Australia Post a Rehabilitation Policy Statement, signed by the Managing Director, is displayed in every work centre. The Policy Statement states the Corporation's commitment to assist employees to remain at work and/or to resume normal duty quickly and safely following a work related injury.

This commitment is reflected through such strategies as:

- the development of an early intervention framework;
- training of team leaders in effective return to work management;
- greater line management accountability;
- supported internal redeployment, between facilities;
- implementation of a performance measurement system that is regularly reported to senior management and the Corporation's Board – Human Resource Sub-Committee. This includes reporting related workers' compensation expenditure and future liability for all claims; and
- ensuring findings of annual audits on the return to work function are communicated to senior management for appropriate action.

Consultation and Communication

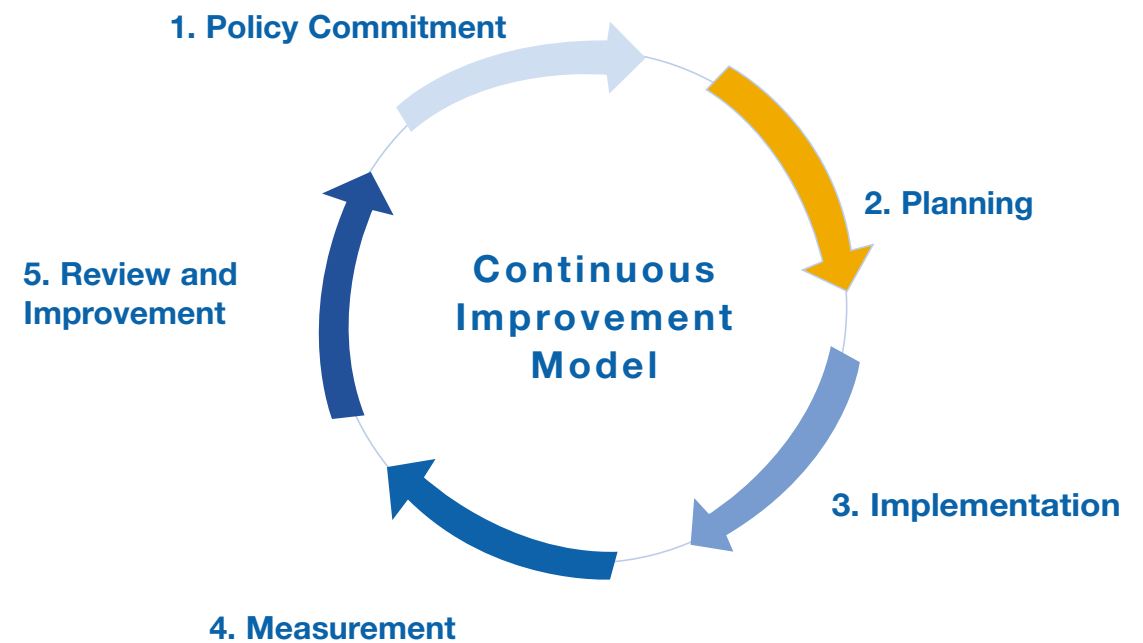
If your agency's policy is to be effective, it is best developed in close consultation with staff and their representatives. The policy then needs to be communicated and understood throughout your agency at all levels.

Case Study 2: Communicating Rehabilitation Information in the Australian Taxation Office (ATO)

The net result of major changes at the ATO over the last 5 years has been a high turnover of staff. In the light of those major changes, the ATO has implemented a range of strategies to reach all ATO staff, wherever they are located. These include:

- the regular inclusion of news material focussing on aspects of OHS and rehabilitation in the weekly ATO internal news bulletin distributed by the ATO intranet;
- the creation of an intranet website for staff to access when they need detailed information;
- the inclusion of rehabilitation material in relevant internal staff training courses; and
- the inclusion of an OHS committee in every one of the ATO business lines.

Step 2. Planning: Important Policy and Strategic Choices



The successful implementation of your agency's rehabilitation policy depends on an effective planning process. In this phase, there are important decisions to be made about the most effective policy and strategic choices for your agency.

Rehabilitation Intervention – When?

The cornerstone of effective rehabilitation is ensuring that intervention occurs as soon as practicable after injury. Employers may promote early intervention by establishing and maintaining a system to ensure the early notification of injury or illness however caused. Employers may give consideration to making funds available to commence rehabilitation prior to liability being determined.

Early intervention includes the following benefits:

- prevents long term absence from the workplace;
- demonstrates management commitment to the employee;
- increases the probability of a return to work;
- contains the costs of incapacity, and in the longer term, the premium;
- reduces the indirect costs to employers such as loss of productivity, recruitment and training costs for replacement staff;
- reduces the adverse effects on co-workers of the injured employee; and
- promotes staff confidence and morale.



Do your RTW procedures enable supervisors, line managers and case manager to be notified promptly of injuries or absences? What action follows this? How do you monitor and evaluate your effectiveness in early intervention?

Work related and other injuries

It is good practice for agencies to have a rehabilitation policy to address both compensable and non-compensable injuries. In the spirit of positive human resource management, the employer may consider what support will be provided to reduce non-compensable time away from work, such as following a sports related injury, or the emergence of a personal or family issue such as substance abuse or separation. This may include allowing time away to attend a medical appointment, access to an Employee Assistance Program, or the temporary rearrangement of the employee's workload or the nature of their work duties.

Case study 3 Centrelink: Creating a specific early intervention policy

Centrelink has developed a specific policy on early intervention to complement its rehabilitation case management policy. The early intervention policy is a comprehensive document that outlines the objectives and benefits of early intervention, along with practical guidelines on how the policy is put into effect. The policy deals with both work and non-work related incidents that could lead to absenteeism or reduced work performance. These include situations such as work injuries (both physical and psychological) as well as sports injuries, motor vehicle accidents, or bereavements. The policy outlines a staged procedure for intervention, beginning with initial local management activity, through to case management involvement and commitment of corporate funds for rehabilitation and, finally, lodgement of a claim where necessary. The policy is consistent with Centrelink's commitment to a holistic approach to managing people and the welfare of its staff.

Contacting absent staff

Staff who are away from work for extended periods, often experience a feeling of isolation, but supervisors can be reluctant to contact such staff for fear of intruding into their privacy. In consultation with staff, consideration should be given to developing a suitable policy and guidelines on contacting staff who are absent. Such a policy would provide guidance to supervisors and employees, and enable you to establish an expectation of the timing and frequency of contact from the workplace.

Case Management Services – What quality?

Effective case management achieves successful return to work outcomes by ensuring support, communication, coordination and cooperation among the relevant parties, with the case manager's role being crucial. For an effective case management system to be delivered by your agency, you should consider the following issues.

How case management is to be delivered in the agency

Whether to resource the function in-house; outsource through contracting consultant case managers (see Appendix 1); or a mixture of both, for example to manage increased case loads or particular cases that may require a higher level of care or management.

Case manager selection and induction

Agencies should ensure that their staff appointed to case management functions are skilled to the necessary level to influence a successful return to work program. Agency job competencies and recruitment processes need to emphasise abilities such as negotiation, counselling, communication and people management skills.

Case management skills development

The participation in Comcare's Case Management training course for all staff involved in case management is highly recommended. Agency case managers should be supported to pursue further relevant training to maintain and improve their skills.

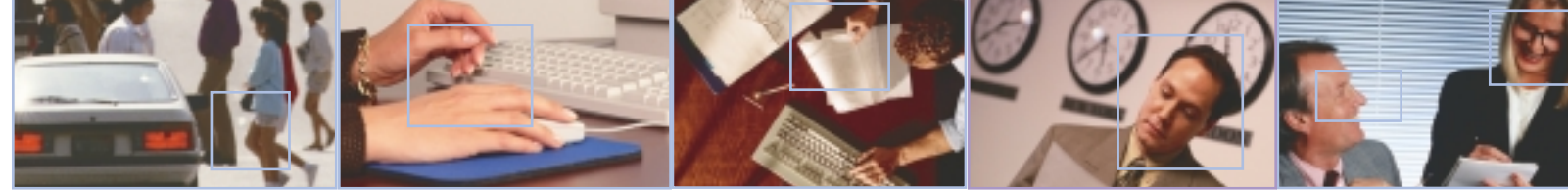
Networking and support

Intra- and inter-agency networks are useful for case managers to keep abreast of developments in occupational rehabilitation practices; assisting with the development of job placement strategies; providing advice on difficult cases; and providing a mentoring and support mechanism for inexperienced case managers. The Comcare web site (www.comcare.gov.au) provides up to date information on a range of network and training opportunities.

Case management resources

Adequate staffing, support and financial resources will be required for effective performance. In determining the most appropriate level of resources to devote to the case management function, agencies will need to consider the caseloads of individual case managers. Caseload is an indication of the number of cases a case manager can effectively manage at any one time and normally reflects the case manager's experience and expertise, the complexity of the cases, the sophistication of support systems, the geographical spread of cases/need for travel, and the provision of service to remote localities.

Where the case management function is only one of a number of responsibilities for a position, the caseload assigned will need to be carefully considered. Agencies should recognise that the



one-to-one assistance case managers offer injured employees represents only part of a case manager's role. Most case managers will inevitably be involved in assisting the agency to implement and maintain early injury/illness notification systems as well as monitoring claims costs/incidence and their impact on the premium. The case manager will often have a significant role in promoting awareness and disseminating information on occupational rehabilitation and RTW management requirements.

Approved Rehabilitation Providers – What method of selection?

Under the SRC Act, Comcare approves providers of occupational rehabilitation services. Approved rehabilitation providers offer a variety of skills and expertise with qualifications in a range of fields including occupational therapy, rehabilitation counselling, psychology, physiotherapy, and social work.

Your agency has to decide how it will utilise the approved rehabilitation providers. You will need to consider which option will work best for your agency. For example:

- adopt a preferred provider system;
- choose a provider from the list of Comcare approved providers as required; or
- establish an approved in-house provider.

Managing Premiums – How to contain the cost of claims.

Comcare maintains a fully funded workers' compensation scheme. The premium paid by your agency is influenced by:

- the frequency of employee injuries; and
- the average cost of employee claims.

The frequency of workplace injuries can best be managed by the implementation of effective prevention strategies; while the duration of claims can best be reduced by the implementation of effective return to work strategies.

The effectiveness of return to work strategies impacts directly upon the duration and cost of workers' compensation claims. Therefore, effective rehabilitation case management should be a priority in your premium management strategy.

The following actions will impact on cost and influence your workers' compensation claims experience:

- implementing an early action response following workplace injury;
- ensuring injured employees are provided with suitable duties as early as possible;
- providing an organised, tailored approach to return to work, with coordinated, planned case management; and
- developing supervisors skills and awareness in dealing with workplace accidents.

Invalidity and Voluntary Redundancy

Invalidity retirement and voluntary redundancy are discouraged as injury management strategies. To assess the impact on the cost of a claim, you should consult Comcare before offering redundancy to injured or ill employees.

It is important to note that, in some cases:

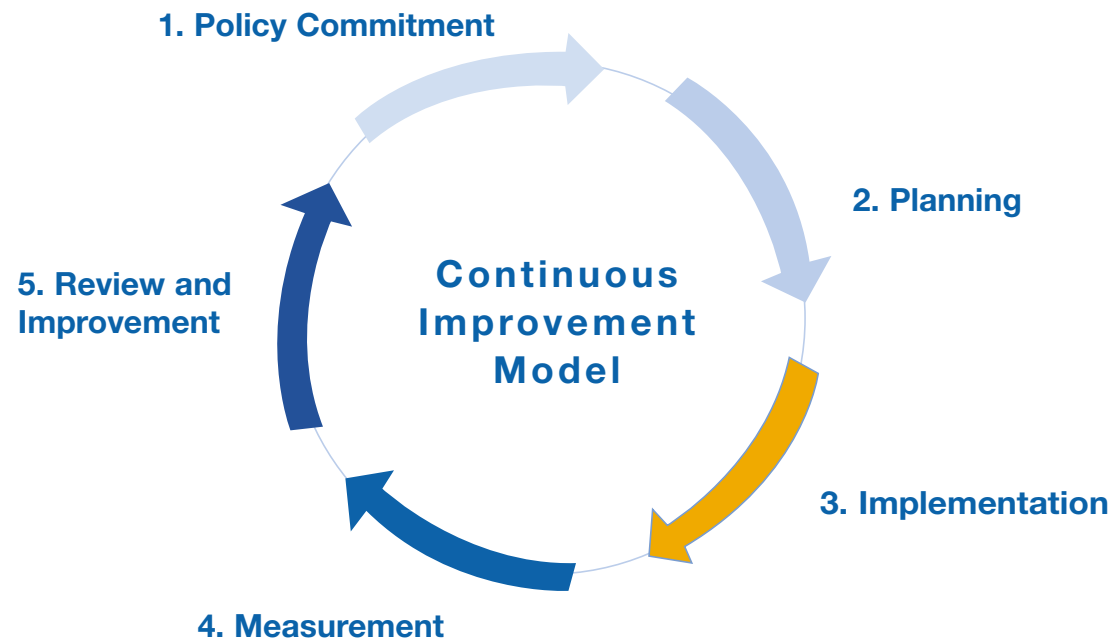
- redundancy will not necessarily cause incapacity payments to cease;
- the liable agency continues to be responsible for rehabilitation; and
- there is the potential that compensation costs will substantially increase and this may impact on your agency premium.

Ensuring the continued management and completion of appropriate RTW strategies is likely to prove beneficial in the longer term.

Employers are expected to provide employees with advice on the possible workers' compensation implications of accepting redundancy packages.

Invalidity retirement is rarely an option for a workers' compensation outcome. Most superannuation schemes, including those of the Commonwealth, have tight guidelines that must be met before invalidity retirement can be agreed. Comsuper can be contacted for detailed advice on invalidity retirement. (www.comsuper.gov.au)

Step 3. Implementation: Making Policy Work

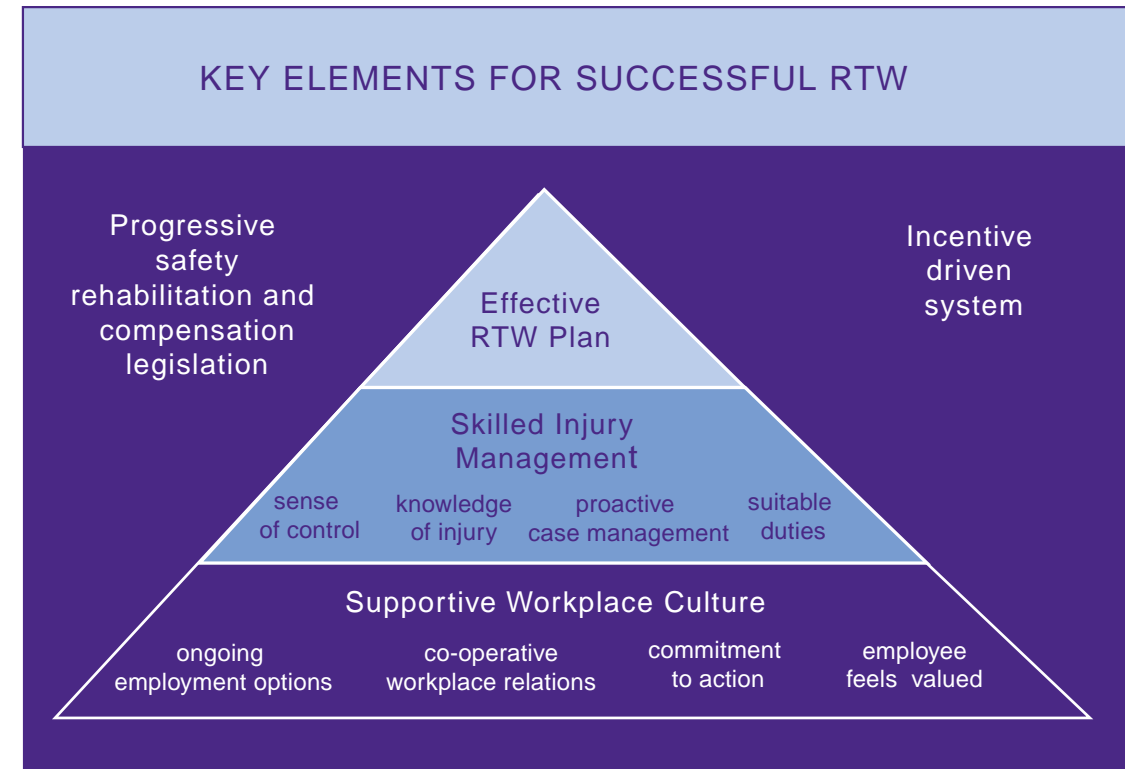


Developing a supportive workplace culture

A supportive workplace culture is the foundation for implementing rehabilitation strategies effectively. The Commonwealth has in place a progressive and incentive-driven workers' compensation system; a framework that is consistent throughout agencies. Why is it that some agencies and workplaces can have a better return to work success rate than others with similar injury rates or experiences? There is a growing body of evidence that workplace culture has an important influence on return to work.

Comcare/Campbell's research found that a workplace, where there are supportive management relationships, supportive peer relationships and where the employee feels valued, will have better return to work outcomes. Workplace culture has a significant impact on whether a return to work will be successful. It is the foundation upon which supportive injury management and effective return to work plans are built. By its policies and practices, agency management can have a significant impact on the culture of an agency. Such actions can also enhance or inhibit the rehabilitation process when implementing an employee's return to work plan. These relationships are illustrated in Figure 2.

Figure 2



Employees identified the following factors as important to influencing successful return to work outcomes:

- being given suitable duties;
- feeling that their work is valued;
- a sense of belonging within the work team;
- management commitment to the rehabilitation effort; and
- peer support.

'(They are)... a good company...they were behind me straight away and told me that they needed me as much as I needed them.'

'I was asked how I was feeling by management and reassured that I would have all the support I needed, all I had to do was ask if I thought anything was lacking, and that this was really important.'

Roles & Responsibilities

There is a network of people who will impact on the effective implementation of your agency's rehabilitation policy. Detailed information on the role and responsibilities of the case manager, approved rehabilitation provider and injured employee is available in the **Rehabilitation Handbook for Case Managers**.



As senior managers you are able to influence the involvement of supervisors in the RTW process by:

- having safety and rehabilitation outcomes in performance agreements;
- devolving the responsibility for premiums to cost centres;
- encouraging the work area to have ownership of injury management;
- enabling training opportunities for managers and supervisors on the RTW process;
- involving supervisors in RTW plan preparation; and
- requiring periodic reporting through formal reporting, or informal discussion of cases with relevant managers by the case manager.

The role of supervisors / line managers is fully discussed in section two of this guide.

There was a strong association between helpfulness of the employer and return to work. Half of those who return to work said their employer was helpful compared to 13% of those who did not return to work.²

Identification of Suitable Duties

While the aim of rehabilitation is to return the injured employee to pre-injury duties, alternative or modified duties may be necessary as part of the rehabilitation program. The provision of suitable duties emerges as a significant factor in successful return to work outcomes.

Comcare/Campbell's research found that injured employees, who considered they were given suitable duties upon return to work, were more likely to report a durable return to work. Suitable duties were perceived as tasks that respected the limits of their incapacity and were compatible with their chosen work environment and skill level. Injured employees who were given considerably different duties, or a position below their former position, upon return to work did not believe they had been given suitable duties. When not offered suitable duties, injured employees were more likely to experience an unsustainable (or non durable) return to work.

Within the work group

Ideally, the injured employee will return to the same work group to undertake duties within his/her capacity and be cognisant of the treating practitioner's advice regarding abilities and restrictions. To do this, alternative or modified duties may need to be arranged.

Intra agency redeployment

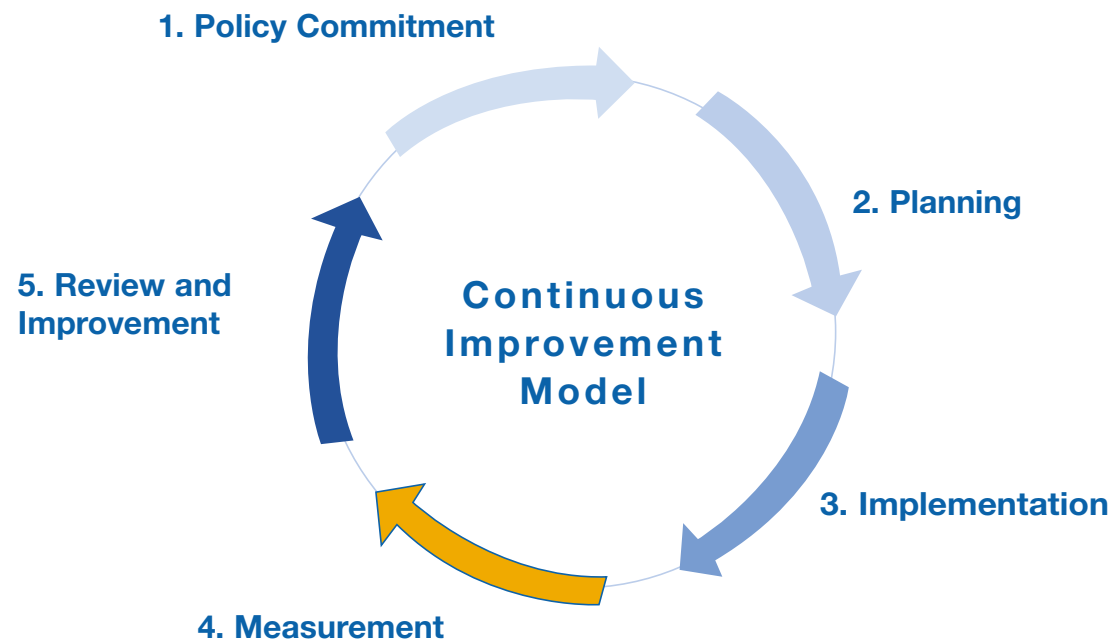
A management statement which encourages the internal redeployment of staff will signal commitment to the RTW process and lead to better results. Internal redeployment may be on a temporary basis to find suitable duties that will enable the employee to return to work quickly and safely. Where it seems likely that the employee will not be able to return to his/her pre-injury duties, internal redeployment may be permanent.

Inter agency redeployment

ANAO/Comcare research has identified that case managers consider redeployment across agencies to be a significant challenge, with most finding it difficult to facilitate. Senior managers may choose to strengthen links with agencies doing similar work in order to create more options for inter-agency redeployment. Agencies may arrange for injured employees on work trials to continue to be paid by the original agency, pending permanent placement. Again, a statement of your agency's policy regarding inter-agency redeployment provides a powerful message to staff of management's commitment to rehabilitation and enables case managers to have a wider range of options to find suitable employment for injured employees.

² National Return to Work Monitor National Report September 2000 produced for Australian workers' compensation authorities by Campbell Research & Consulting

Step 4. Measurement: Knowing it is Working



Measurement of rehabilitation performance is the first step to better results. ANAO/Comcare research has identified that better performing agencies have effective performance monitoring and review practices in place.

Reporting Performance Information

It is important to track performance and satisfy accountability requirements through the use of an effective monitoring system. Performance indicators can assist decision-making and promote improvement. There is benefit in having a range of performance information in place. This may include:

- injury management data;
- changes in premium levels over time; and
- approved rehabilitation provider performance.

Injury Management Data

ANAO/Comcare research has found that many premium paying agencies use Customer Information System performance data to provide information to a range of management groups. CIS is a secure site, accessed by authorised customers through Comcare's internet web site.

The range of information available to authorised users includes:

- trend performance data;
- claim and RTW history; and
- individual claim information.

CIS is a useful tool, with larger agencies often using this information to develop action plans in response to identified problem areas. Access to CIS will allow you to gain information on:

- number and average cost of claims;
- individual RTW program details, allowing for measurement of key stages;
- individual claimant details;
- duration of incapacity by injury type;
- location of injuries;
- mechanisms of injury and age profiles; and
- complete data tables containing key claim details.

Agencies can obtain more information on CIS from their National Customer Manager at Comcare.

Licensees will have in place their own information system.

The Premium

Changes to the premium calculation model in recent years mean that premiums are now more responsive to the claim performance of each agency than was previously the case. This is particularly true for claim costs. The duration of payments for time off work is a key driver of claim costs.

Case Study 4: Containing premium costs at the Australian National University

The Australian National University (ANU) is a potentially hazardous environment because of the equipment and substances used in research. The University is a large and diverse employer with staff employed in teaching, research, administration, manual trades, ground maintenance, cleaning, sales and hospitality. The University has effective processes and procedures in place for minimising risks, preventing injuries, intervening early and providing high quality rehabilitation. Only professionally qualified or highly experienced staff manage OHS, compensation and rehabilitation at the ANU. An early intervention program that uses trained 'satellite' staff in every work area results in very early injury reporting.

A Case Manager assesses every reported injury. Staff can be referred to a variety of services regardless of workers' compensation status. These services include vocational rehabilitation, psychological counselling, safety training, touch typing, postural training, and relaxation. Injured staff and their supervisors are educated through information sent in response to every injury report, as well as web-sites and a Supervisors Manual.

The University's pre-employment medical procedures prevent 'at risk' staff from exacerbating existing injuries by providing assessment, workplace modifications and training. These extensive prevention, early intervention and rehabilitation efforts have resulted in a significant reduction in claim numbers.

Approved Rehabilitation Provider Performance

It is the agency's responsibility to manage, monitor and assess the provider's performance in fulfilling the contractual services for individual cases.

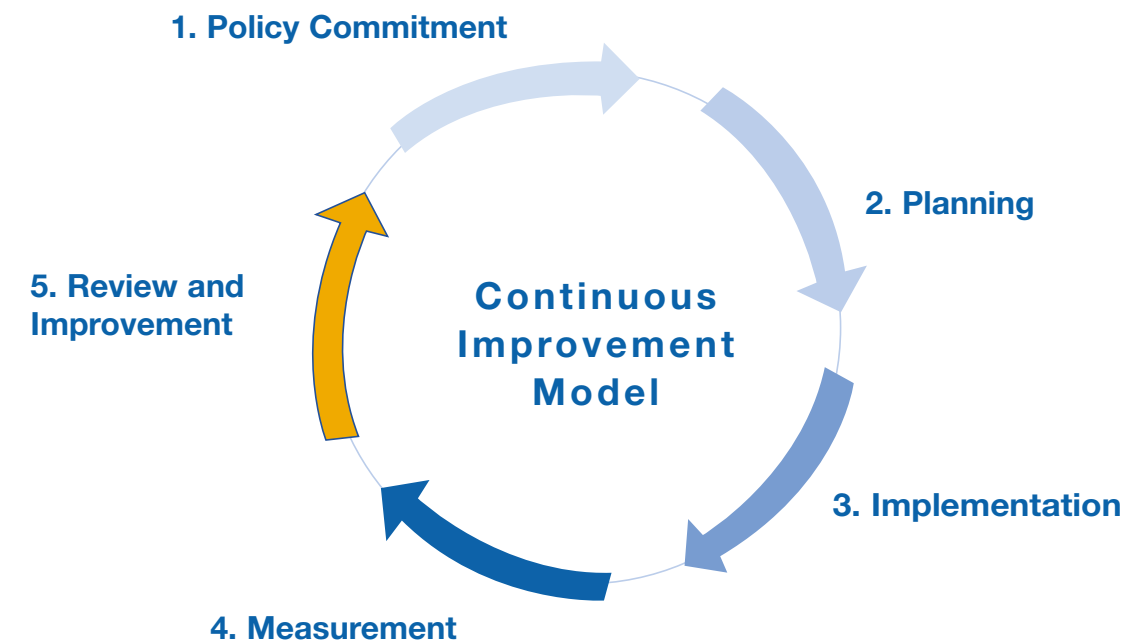
Provider performance can be measured by reviewing the timeliness of the provider's services, the degree of involvement with stakeholders, adherence to estimates such as cost and duration, and the quality and outcome of the services.

Every three years, Comcare also reviews the performance of rehabilitation providers to determine their eligibility for re-approval. Data is obtained on:

- their return to work rate;
- the median cost of their RTW plans; and
- the median duration of their RTW plans.

In addition to these performance measures, Comcare assesses providers' performance against the **Standards for Approved Rehabilitation Providers**. Agencies can obtain a copy of these standards from Comcare's web page.

Step 5. Review and Improvement



Once performance information from injury management data, the premium and approved provider performance have been collected, you are able to review the success of your agency's policy and its implementation. Is the rehabilitation policy effective? Are performance indicators satisfactory? Are your agency rehabilitation objectives being achieved? Decisions can be made on targeted improvements, for example in early intervention strategies, case management selection and resourcing, management of approved rehabilitation providers or redeployment strategies. Your agency should adopt a continuous improvement approach to refining its rehabilitation policy and programs.

Case Study 5: ATO Better Practice Review in Rehabilitation

The ATO is one of the largest Commonwealth organisations employing about 20 000 staff. There has been significant restructuring within the organisation along with the recruitment of a large number of new staff to support the implementation of the new tax system. As part of the adaptation to these changes, the HR area initiated in 2000-01 a project to review its rehabilitation management. The brief for this project was to implement best practice in rehabilitation in the ATO.

As part of a systems approach to benchmark and identify areas for improvement, activities to be undertaken include:

- a review of data, both internal and CIS, to analyse factors such as the length of incapacity, rehabilitation costs, type and cause of injury;
- an evaluation of a sample of rehabilitation files to review such rehabilitation management



issues as legislative compliance, identification of delays in the process and contributing factors (for example length of time to submit claim and refer for rehabilitation), and any inconsistencies in rehabilitation management;

- consultation between regional rehabilitation networks of the ATO to identify better practices and tailor rehabilitation management to local requirements; and
- consultation with other comparable Commonwealth agencies for information sharing purposes.

The desired outcomes of the project include:

- a competent rehabilitation system that ensures injured employees receive early and appropriate care with minimum time off work and cost to ATO;
- development of measures to determine ATO rehabilitation performance and allow comparison with best practice benchmarks;
- development of strategies to ensure early identification of high cost claims and implementation of early and appropriate strategies to minimise the cost of absenteeism associated with these claims;
- development of a process to ensure correct attribution to ATO businesses of relevant costs associated with workers' compensation; and
- provision of specific information and feedback to each ATO business.

SECTION TWO – MANAGING RETURN TO WORK IN THE WORKPLACE: A GUIDE FOR LINE MANAGERS AND SUPERVISORS

Supervisors face a range of competing demands. They are required to ensure core activities are achieved while maintaining a high standard of human resource management practices. This section is designed to provide supervisors and line managers with an understanding of their role in the return to work process and how they can assist case managers to achieve successful return to work outcomes.

The supervisor has an important role to play in achieving the successful return to work of an injured employee.

Supervisors can assist in a number of key areas by:

- promoting a supportive workplace culture;
- enabling early intervention;
- understanding the rehabilitation process;
- providing suitable employment; and
- supporting the case manager to monitor a durable return to work.

Promoting a Supportive Workplace Culture

The culture of your workplace can have a significant impact on whether or not an injured employee returns to work successfully. Factors such as management style, peer relations and individuals' perception of job worth are important influences on rehabilitation outcomes.

Supervisors, from first line managers to branch heads, have the capacity to influence and determine workplace culture. A positive workplace is the foundation on which supportive injury management and effective return to work plans can be implemented and achieved. Supervisors are the lynch pin in this success.

'If the supervisor is not supportive, well the return to work won't be successful. It's as simple as that. If the supervisor resents the injured worker and doesn't treat the person with empathy and support, well the worker thinks, well, I'm trying to make a go of it here, make an effort, and the supervisor hates me because I put in a workers' compensation claim, ...I'm going off because I'm not wanted here...The supervisor treated me like a leper ... it's a very uncomfortable environment. Yes, so that's where the process falls down. The supervisor needs to be absolutely supportive.'

Comcare/Campbell's Research

What do injured employees perceive as important factors that lead to their successful return to work? Comcare/Campbell's research found these include that :

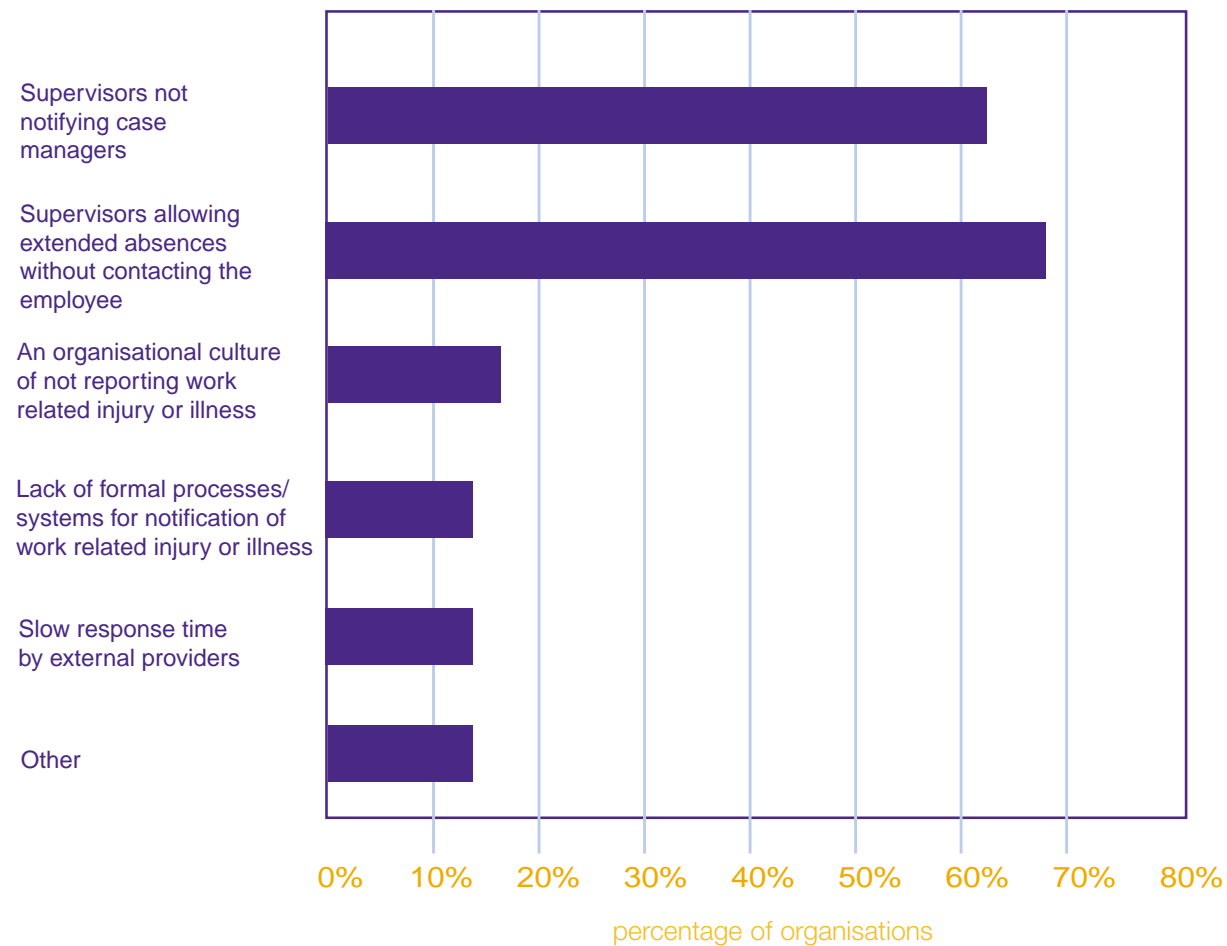
- their work was valued;
- they were needed and important;
- they were given suitable duties;
- they had a sense of being in control of their return to work; and
- that they had a sense of loyalty to the employer.

These are all factors that can be influenced by the employee's immediate manager, and their work team. Investing in developing a supportive workplace culture provides rewards beyond those that relate to rehabilitation outcomes. Managing the human side of the workplace, including building a culture that appreciates individual contribution, demonstrates management commitment to staff, and encourages peer support. This is as important as managing the business objectives for the success of an organisation.

Enabling Early Intervention

ANAO/Comcare research has identified barriers to early intervention perceived by case managers as shown in Figure 3.

Figure 3 Perceived barriers to early intervention



Supervisors are in a position to provide timely advice to case managers. It is important that case managers are notified of potential clients as soon as possible after a workplace injury or illness has occurred, even if the employee has not taken any time off work or perhaps only a minimal number of days. Two areas supervisors can assist with early intervention are:

- early notification; and
- managing absenteeism.

Early notification

Agencies can promote early intervention by establishing and maintaining a system to ensure the early notification of injury or illness. The system should enable case managers to be advised promptly of all work-related incidents and injuries, regardless of whether the injury/illness appears compensable. The system should enable agency policy timeframes to be met.

Managing absenteeism

Supervisors need to be supported by an agency policy that sets an expectation that the supervisor will make early contact with staff absent from work.

Understanding the Rehabilitation Process

The supervisor should work together with the agency case manager, injured employee and, where necessary, the approved rehabilitation provider, to achieve a successful RTW. The agency's rehabilitation policy will outline the roles of all parties and can be consulted for clarification.

Where rehabilitation intervention and planning is required, the case manager will organise an assessment for rehabilitation. At this stage, a determination will be made as to whether a RTW plan is required. The case manager may draw up a plan; or the case manager may contract the services of an approved provider to coordinate the development of the plan. This is done in consultation with the injured employee and his/her treating medical practitioner.

The RTW plan is essential in providing all parties with clarity about expectations, goals, timeframes, and costs. The plan is an integral part of the tailored active approach to injury management. It enables strategies such as work trials, on the job training and the identification of suitable duties to be put in place. The supervisor has a critical role to play in understanding the employee's injury or illness and supporting his/her return to work effort.

Providing Suitable Employment

The employer has an important and fundamental responsibility to provide suitable employment. This is one of the key strategies to support a safe and timely return to work. The employer has a statutory obligation under the SRC Act to make available alternative duties to an injured employee undergoing rehabilitation. Alternative duties may be found:



- within the employee's normal workplace team, unit, or area;
- elsewhere within the agency; or
- within another agency.

The case manager or approved rehabilitation provider will consult with the supervisor to identify potentially suitable work for the injured employee. With this information from the workplace, the treating doctor can provide informed advice about when and how return to work may commence. In some instances, it will be necessary to negotiate with a supervisor from another work area about the availability of suitable duties for the injured employee, either temporarily or permanently.

“The supervisor phoned straight away saying ‘as soon as you can come back we’ve got light duties for you.’ They encouraged me to come back saying ‘we’ll find something useful for you to do’.”

ANAO/Comcare research has confirmed that a significant difficulty for case managers is supervisors’ reluctance to take on an injured employee from elsewhere within the agency. However, receiving a team member from another business unit:

- can provide extra assistance;
- could be ‘off budget’ if temporary, or on a work trial, with the original work unit providing salary;
- can assist the employee to return earlier than might have otherwise been possible; and
- contributes to effective agency human resource management.

Case Study from the Private Sector Critical Success Factors in Rehabilitation from BHP Transport & Logistics

BHP’s Transport and Logistics section has instituted better practices in the management of the return to work of seafarers. This has led to close to 100% success rates over the past three years. BHP has identified the following critical success factors:

- establish immediate contact with the injured worker;
- start the rehabilitation process immediately;
- develop strong relationships with the injured worker and the treating doctor, which focus on occupational rehabilitation;
- identify suitable duties; and
- return the employee to work safely as soon as possible.

These factors are implemented in a seven-phase approach as follows:

1. Establish contact immediately after injury: discuss the incident, encourage a visit to the doctor, introduce the concept of a rehabilitation plan and rehabilitation provider.
2. Set up a rehabilitation relationship: a personal relationship with the injured employee is developed; the company briefs the rehabilitation provider, who in turn contacts the injured employee to arrange a home visit.
3. Home visit: a short, medium and long-term strategy is discussed between the injured worker and rehabilitation provider.
4. Development of a rehabilitation plan: the rehabilitation provider meets with the doctor (with the employee’s permission) and a plan is developed between the worker, rehabilitation provider, doctor and company. BHP approves the plan.
5. Return to Work: the scope of suitable duties is discussed with the employee, the rehabilitation provider and doctor; the doctor approves the return to work. A work plan is developed for implementation in a supernumerary capacity.
6. Implementing Return to Work: the return to work plan is signed off by the ship manager and master of the vessel. The rehabilitation provider meets the employee at the airport to facilitate transfer to the vessel. There is an introduction to the master and a walk through of suitable duties and of the plan. There is active participation by the officers and crew on board in the process. The employee will then undertake a 2 week voyage on the nominated coastal vessel.
7. Voyage End: at the conclusion of the voyage, the employee is contacted at home to discuss the process. The doctor is contacted for an opinion as to the employee’s fitness for work. Consideration is given to whether another voyage in a supernumerary position is justified. The rehabilitation and RTW Plan is reviewed.

Supporting the Case Manager in Monitoring a Durable Return to Work

The Return to Work Monitor³ identified that the durable RTW rate for Comcare customers was 87 per cent. In order to maintain and improve upon this outcome, return to work plans must be actively managed and monitored. The case manager has responsibility for monitoring and coordinating the return to work of an injured employee. However, to do that effectively the case manager will rely on the supervisor’s support to:

- facilitate regular communication with the injured employee;
- provide feedback to the case manager on the implementation of the RTW plan, particularly in the early phase;
- adapt to changes in the RTW plan and create flexibility to achieve goals;
- agree on the closure of the RTW plan; and
- initiate timely contact, if further difficulties develop after case closure.

Close monitoring of a RTW plan ensures that problems are identified and addressed early. Timely corrective action will avoid the danger of problems becoming entrenched and difficult to manage.

³ National Return to Work Monitor National Report September 2000 produced for Australian workers’ compensation authorities by Campbell Research & Consulting

SECTION THREE: WHAT'S HAPPENING IN YOUR AGENCY?

This better practice guide *Rehabilitation: Managing Return to Work* is part of a kit which also contains the following:

Tool 1 for Senior Managers

Return to Work: Self Assessment Guide

This easy to use self-assessment guide is a valuable tool to review the management of RTW in your organisation.

The guide contains three specific areas of assessment. These are:

- organisational framework;
- rehabilitation management; and
- strategies for successful return to work.

It is suggested this guide be used by an assessment group established by your organisation for this purpose. It will ideally culminate in a report to senior management at CEO, State Manager and/or Area Manager level. Such a report would include findings, critical elements for improvement, recommendations, implementation timeframes and action responsibilities.

Tool 2 for Supervisors and Line Managers

Managing Return to Work: Key Steps for Supervisors and Line Managers

Assisting an employee to return to work may not be a task a supervisor is familiar with or regularly has to do. This brief summary provides an overview of the process, from the supervisor's perspective, in a step-by-step format and complements the material provided in section 2 of this Guide.

Along with this Better Practice Guide, the self-assessment tool and supervisor's guide can be ordered or down loaded via Comcare's web site.

SECTION FOUR: NEED HELP?

There is a range of other useful resources available to assist employers with the rehabilitation of injured employees.

The publications listed can be accessed through Comcare's website. A training and seminar calendar is also regularly updated and available from this site.

Publications

Rehabilitation Policy Guidelines for Employers: Safety, Rehabilitation and Compensation Act 1988 s41 Guidelines

The s41 guidelines issued by Comcare under the SRC Act set out three core requirements for achieving the durable return to work of injured employees. They are that employers have in place:

- a rehabilitation policy;
- managed rehabilitation programs; and
- early intervention and return to work strategies.

Standards for Approved Rehabilitation Providers

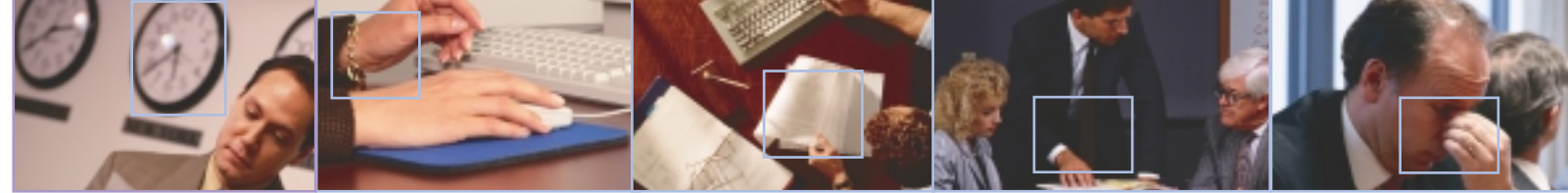
Comcare's primary objective in occupational rehabilitation is the safe and early return to work of injured employees. This requires high standards, quality services and real success from approved rehabilitation providers. Comcare has developed a set of standards designed to measure an approved rehabilitation provider's capacity to meet this objective.

Guide to Understanding Customer Reports

As an employer, you are better able to manage your rehabilitation, compensation and OHS responsibilities when you have a clear understanding of your agency's work related injury / illness profile. This guide has been produced to provide Comcare customers with a ready reference to the range of customer reports available to agencies.

All about workers' compensation: A guide for employees

This guide has been written specifically for employees of premium paying agencies. It provides a step-by-step approach to the compensation and return to work processes and, as such, is relevant to employers also.



Rehabilitation Handbook for Case Managers

The Rehabilitation Handbook for Case Managers provides current information on rehabilitation policies and effective return to work practices. It is a comprehensive reference designed to assist case managers, and their organisations, achieve improved return to work outcomes.

The handbook includes:

- a detailed examination of Comcare’s model of occupational rehabilitation and the relevant legislation;
- discussion of the case manager’s role;
- methods for developing and coordinating return to work plans; and
- information on privacy provisions and compensation benefits.

Case Manager: Easy Reference Guide.

The pictorial flow chart, contained in the **Case Manager: Easy Reference Guide** outlines the rehabilitation process through a step by step approach. It identifies the various parties and how they work together through a return to work process.

Training and Networking

Comcare offers courses, seminars and forums aimed at improving skills and understanding of workplace injury prevention, return to work case management, and workers’ compensation arrangements under the SRC Act. Details are available from Comcare’s website.

Specialist Advice

Specialist rehabilitation advice can be sought from:

- Approved Rehabilitation Providers;
- Comcare Rehabilitation Services Unit (operational advice from Comcare Claims Management); and
- Comcare Rehabilitation Policy and Advice Group (policy advice from Comcare’s Regulatory Services Division).

APPENDIX 1 CONSIDERATIONS WHEN OUTSOURCING THE CASE MANAGEMENT FUNCTION

Where outsourcing occurs, issues to be considered are:

Privacy

The relevant Commonwealth authority needs to ensure that the contract with the private provider of the outsourced services imposes appropriate privacy obligations aligned to those that Commonwealth organisations are subject to under the **Information Privacy Principles (IPPs)** in the **Privacy Act, 1988**.

Delegations

There are a number of statutory obligations and delegations imposed on Commonwealth authorities by the **SRC Act 1988** which are unable to be totally contracted out to a third party.

The rehabilitation authority, as referred to in the SRC Act, is responsible for:

- complying with any guidelines issued by Comcare in relation to the performance or exercise of the authority’s functions or powers under the SRC Act (section 41 SRC Act);
- arranging for the assessment of an employee’s capability of undertaking a rehabilitation program where the employee suffers an injury resulting in incapacity for work or an impairment (section 36 SRC Act);
- making a determination as to whether an employee who has suffered an injury resulting in incapacity for work or an impairment should undertake a rehabilitation program and, making arrangements with an approved program provider for the provision of a rehabilitation program for an employee (section 37 SRC Act);
- advising the injured employee in writing of the decisions made under sections 36 and 37; and
- providing suitable duties and/or undertaking job search activities (section 40 SRC Act).

In an outsourced environment, this would usually entail:

- nomination of a specifically delegated manager with whom the contract case managers are required to liaise;
- the delegated manager approving and signing off key paperwork associated with items 2, 3 and 4 listed above; and
- the Commonwealth agency taking all reasonable steps to provide employees with suitable employment or assisting the employee to find such employment.

Training

Comcare offers case manager training programs and a training program in Workers' Compensation for Personnel Staff.

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- National Return to Work Monitor National Report September 2000 produced for Australian workers' compensation authorities by Campbell Research & Consulting.
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