

REHABILITATION MANAGEMENT SYSTEM PRE-LICENCE AUDIT TOOL

Auditing rehabilitation management systems and capacity for compliance under the *Safety, Rehabilitation and Compensation Act 1988* and *Guidelines for Rehabilitation Authorities 2012* for new applicants for a self-insurance licence

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Comcare

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DEFINITIONS

Competent personnel	For the purposes of auditing claims management systems under the <i>Safety, Rehabilitation and Compensation Act 1988</i> (SRC Act), competent personnel are defined as people with knowledge of the SRC Act and relevant experience. Relevant experience in this case would include audit training and experience.
Consultation ¹	Consultation means appropriately informing employees, and inviting and considering their response prior to a decision being made. Employees' opinions should not be assumed. Sufficient action must be taken to secure employees' responses and give the employees' views proper attention. Consultation requires more than a mere exchange of information. Employees must be contributing to the decision-making process, not only in appearance but in fact.
Corporate governance	The process by which organisations are directed, controlled and held to account. The term encompasses authority, accountability, stewardship, leadership, direction and control exercised in the organisation. It includes the transparency of corporate structures and operations, the implementation of effective risk management and internal control systems, and the accountability of management to stakeholders.
Documented commitment	A statement by the employer of its commitment, intentions and principles in relation to its overall claims management system performance including its commitment to minimising the human and financial cost of injury and providing for fair compensation when an injury occurs. It provides a framework for action and for setting claims management system objectives and targets. It could take the form of a policy, management arrangements or an employer/worker agreement.
Rehabilitation authority	<p>For the purpose of this document:</p> <ul style="list-style-type: none"> (a) for defence-related claims, the Service Chief or the Military Rehabilitation and Compensation Commission as set out in section 39 of the Military Rehabilitation and Compensation Act 2004 (b) if the employer is an exempt authority, Comcare (c) for all other cases, the person who is principal officer of the employer <p>Except where the employer is an exempt authority—also includes the employer.</p> <p>If there is no such employer—the Commonwealth entity, authority or licensee that most recently employed the employee.²</p>

¹ The definition of 'consultation' has been taken from the Safety, Rehabilitation and Compensation Commission document 'Consultation on Health and Safety'.

² *Guidelines for Rehabilitation Authorities 2012*

Rehabilitation management system	The part of the overall management system which includes organisational structure, planning activities, responsibilities, practices, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining the rehabilitation policy.
Senior executive	At the level required for the endorsement of the employer's documented commitment to claims management—Chief Executive Officer/Principal Officer and/or senior management team.
Stakeholders	Includes, but is not limited to, employees, managers/supervisors, service providers, rehabilitation providers, case managers, medical practitioner, the claims manager, and Comcare.

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INTRODUCTION

An application for a self-insurance licence will be assessed by the Safety, Rehabilitation and Compensation Commission (the Commission) from information provided in a written licence application, together with information collected in the application evaluation process. For detailed information about the application process, please refer to the publication *Licence Application Handbook*.

The 'Pre-Licence Evaluation' of the rehabilitation management system consists of three parts:

- > Comcare will assess the applicant's past conduct and performance in meeting its obligations in relation to rehabilitation under the law of the Commonwealth or of a state or territory.
- > Comcare will assess the information contained in the licence application [Schedule 3, Part 3] as to the *proposed* arrangements for the management of rehabilitation of employees in order to assess the applicant's capacity to meet the Commission's standards.
- > Comcare will undertake a pre-licence audit of the proposed rehabilitation management system against the requirements of this *Rehabilitation management system pre-licence audit tool*.

GENERAL CONDITIONS OF LICENCE AND PERFORMANCE STANDARDS

The general conditions of licence and performance standards form the basis of the Commission's system of outcome-based regulation of licensees. This system has been designed to foster continuous improvement in work health and safety, rehabilitation and claims management through the promotion of management systems that integrate prevention, rehabilitation and claims management into the applicant's core business processes.

While the Commission needs to be satisfied that licence applicants have the capacity to perform effectively against the conditions of licence and performance standards, the Commission expects that this system will also provide applicants with the greatest possible freedom to manage health and safety issues, in consultation with their employees, and in a way which best suits the applicant's business objectives.

Details of the Commission's performance standards and measures for licensees are available on the Commission's website at: http://www.srcc.gov.au/self_insurance/licence_conditions_and_performance_standards_outcomes/licence_conditions_and_performance_standards

REHABILITATION MANAGEMENT SYSTEMS

On 1 July 2012, Comcare issued the *Guidelines for Rehabilitation Authorities 2012* (the Guidelines) under section 41 of the SRC Act that require, amongst other things, that all rehabilitation authorities develop and implement a rehabilitation management system that delivers effective rehabilitation and meets the performance standards and measures prescribed therein.

This *Rehabilitation management system pre-licence evaluation tool* reflects the requirements of a rehabilitation management system as well as the legislative requirements of the SRC Act, the associated Guidelines and the requirements of the Commission.

Where an applicant is establishing a rehabilitation management system, this tool is to be used to undertake a gap analysis of its existing processes against the requirements of a rehabilitation management system and its capacity to meet those requirements by the time the licence is granted.

The pre-licence audit of the applicant's rehabilitation management systems will assess whether the applicant will be able to perform to the following requirements:

- (a) the applicant develops its rehabilitation policies and objectives in consultation with its employees and, where requested by any member in the undertaking, their representative organisations
- (b) the applicant develops plans to fulfil its policies and objectives
- (c) the applicant demonstrates the capabilities and support mechanisms that are necessary to achieve its policies and objectives
- (d) the applicant measures, monitors and evaluates its performance and takes prompt corrective action when necessary
- (e) the applicant regularly reviews its rehabilitation management system, with the objective of improving their overall performance.

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THE PRE-LICENCE AUDIT PROCESS

As a minimum, a desktop review of the documentation provided with the licence application will be assessed using the *Rehabilitation management system pre-licence audit tool*. This may be conducted either on or off-site as circumstances warrant. Supplementary information may be requested to assist with the pre-licence audit process and this may include such matters as reports relating to any previous audits of the rehabilitation management system. The pre-licence audit may also include interviews with relevant staff including the proposed rehabilitation case manager(s).

THE REHABILITATION MANAGEMENT SYSTEM PRE-LICENCE AUDIT TOOL

This tool is a modified version of Comcare's *Rehabilitation management system audit tool* and is based on the following Australian/New Zealand standards:

- > AS/NZS 4801:2001 *Occupational health and safety management systems—Specification with guidance for use*
- > AS/NZS 4804:2001 *Occupational health and safety management systems—General guidelines on principles, systems and supporting techniques*

The tool assesses rehabilitation management systems against five elements across 21 criteria:

1. Commitment and corporate governance (three criteria)
2. Planning (four criteria)
3. Implementation (seven criteria)
4. Measurement and evaluation (six criteria)
5. Review and improvement (one criterion)

Related documentation

- > *Claims management system pre-licence audit workbook*
- > *Claims management system pre-licence audit report template*
- > *Licence Application Handbook*

APPLYING THE PRE-LICENCE AUDIT TOOL

The rehabilitation management system pre-licence audit comprises a review of documentation and discussions with relevant personnel of the applicant. The applicant is required to demonstrate that it either currently meets, or has the capacity to meet upon commencement of a self-insurance licence under the SRC Act, the Commission's performance standards for rehabilitation and return to work management.

The rehabilitation management system pre-licence audit comprises an assessment of performance against 21 criteria. In conducting the pre-licence audit, the auditor will make judgements as to whether the standards are currently met or are able to be met upon licence commencement.

The auditor will provide a rating against each standard as follows:

Conformance: the standard is fully met.

Capacity to meet: there is sufficient evidence to demonstrate how the standard will be met upon licence commencement.

Non-conformance: the standard is not met and there is insufficient evidence to establish and verify how the standard will be satisfied upon licence commencement.

The auditor will consider the evidence reviewed during the pre-licence audit and prepare a draft report identifying how the applicant performed against the audit criteria.

The applicant will receive the draft pre-licence audit report for comment within 15 working days of when the auditor completed the pre-licence audit. The applicant needs to provide the auditor with comments on the report within 15 working days of receiving the draft. The auditor will consider these comments and finalise the pre-licence audit report within 10 working days.

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PRE-LICENCE AUDIT CRITERIA

**Please note that the criterion numbers throughout this document have been aligned with Comcare's Rehabilitation management system audit tool.*

ELEMENT 1: COMMITMENT AND CORPORATE GOVERNANCE

The applicant will document its commitment to rehabilitation. This documentation will benchmark the organisation's objectives, be used to formulate strategic direction and be reviewed to ensure it remains relevant. The documentation will also demonstrate that the organisation strives for continuous improvement. It will be endorsed and supported at the executive level and be relevant to the organisation's overall values, vision and business objectives.

Documented commitment

- 1.1 The applicant will set the direction for its rehabilitation management system through a documented commitment by senior executive.

Corporate governance

- 1.2 The rehabilitation management system will provide for internal and external accountability.
- 1.3 The applicant will identify, assess and control risks to the rehabilitation management system.

ELEMENT 2: PLANNING

The successful implementation and operation of a rehabilitation management system requires an effective planning process with well-defined and measurable outcomes. Planning is essential for both the initial implementation of an overall management system and for specific elements that make up that system and should be done in consultation with relevant stakeholders.

Administrative arrangements

- 2.1 The applicant has a delegation schedule to be signed by the principal officer, as per section 41A of the SRC Act, including arrangements for possible suspension of entitlements and the management of reconsiderations.

Rehabilitation planning

- 2.2 The applicant recognises legislative obligations and plans for legislative and regulatory compliance, having regard to any policy advice that Comcare or the Commission may issue.
- 2.3 The applicant sets objectives and targets and identifies key performance measures for its rehabilitation management system.
- 2.4 The applicant establishes plans to:
 - (i) achieve its objectives and targets
 - (ii) promote continuous improvement
 - (iii) provide for effective claims management arrangements.

ELEMENT 3: IMPLEMENTATION

The applicant shall achieve its rehabilitation management system objectives, identified in its rehabilitation management system plans, by involving its people as well as focusing and aligning its systems, strategies, resources and structure.

Resources

- 3.1 The applicant will allocate adequate resources to support its rehabilitation management system.

Communication and awareness

- 3.2 The applicant will define and communicate responsibilities to relevant stakeholders.
- 3.3 The applicant will communicate relevant information regarding the rehabilitation process to its employees, including their rights and obligations.

Training

- 3.4 The applicant has identified training requirements and will develop and implement training plans to ensure personnel are competent.

Early intervention

- 3.5 The applicant will implement an early intervention program, including the early identification and notification of injury.

** Note: Criteria 3.6–3.11 are not tested at the pre-licence audit stage*

Confidentiality

- 3.12 The applicant will maintain the confidentiality of information and apply legislative requirements.

Document management

- 3.13 The applicant will maintain the relevant level of reporting, records and/or documentation to support its rehabilitation management system and legislative compliance.

ELEMENT 4: MEASUREMENT AND EVALUATION

The applicant will measure, monitor and evaluate its rehabilitation management system performance and take corrective action where required. Measuring, monitoring and evaluating are key activities which ensure that the applicant is performing in accordance with its documented commitment to rehabilitation objectives and targets as well as initial and ongoing planning. The results should be analysed and used to determine areas of success and to identify activities requiring corrective action and improvement.

The applicant will establish, implement and maintain documented procedures to monitor and measure, on a regular basis, the key characteristics of its rehabilitation management system operations and activities. Periodic audits of the rehabilitation management system are necessary to determine whether the system has been properly implemented and maintained and whether the applicant has met its performance objectives.

Monitoring

- 4.1 The applicant will monitor planned objectives and performance measures for core rehabilitation management activities.
- 4.2 The applicant will monitor rehabilitation providers' performance in terms of quality of service delivery, costs, progress reports and outcomes.

Auditing and reporting

- 4.3 The applicant will conduct an audit program—performed by competent personnel and in accordance with the requirements of the Commission and Comcare—to measure the performance of its rehabilitation management system.
- 4.4 Audit outcomes will be appropriately documented and actioned. The applicant will report to senior executive on its rehabilitation management system performance, including audit outcomes.
- 4.5 The applicant will communicate the outcomes and results of rehabilitation management system audits to its employees.
- 4.6 The applicant will provide the Commission or Comcare with reports as requested.

ELEMENT 5: REVIEW AND IMPROVEMENT

The applicant will regularly review and continually improve its rehabilitation management system with the objective of improving its overall rehabilitation performance.

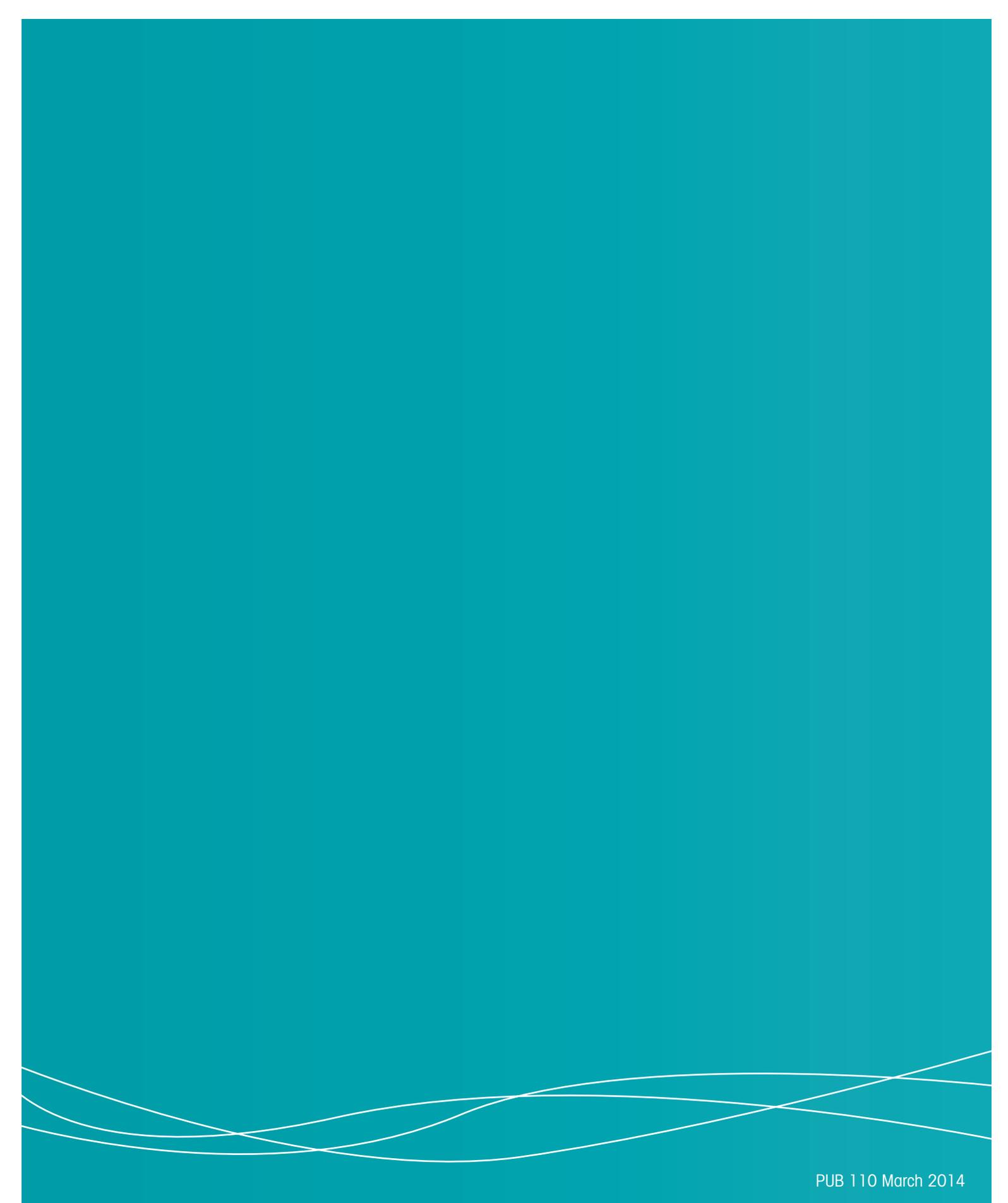
Continuous improvement

- 5.1 The applicant will analyse rehabilitation management system performance outcomes against documented objectives to determine areas requiring improvement and promote and implement continuous improvement strategies.

ADVICE AND ASSISTANCE

All enquiries about the *Rehabilitation management system pre-licence audit tool* and *Rehabilitation management system pre-licence audit workbook* should be directed to the Director, Authorisation and Audit at Comcare, GPO Box 1993, Canberra ACT 2601.

All enquiries about applying for a self-insurance licence should be directed to the Director, Secretariat and Self Insurance at Comcare, GPO Box 9905, Canberra ACT 2601.



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