

Media Statement

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Auditor-General's Report: Claims Management by the Victorian WorkCover Authority

Claims management by the Victorian WorkCover Authority (VWA) is maximising the financial sustainability of the WorkCover scheme. But the quality of case management needs to be improved to better maximise outcomes for injured workers, says Acting Auditor-General, Dr Peter Frost.

In a report tabled today in Parliament, Dr Frost says that since 2002, claims management initiatives have contributed to a significant reduction in projected liabilities of \$2.9 billion, and that the WorkCover scheme has remained in a sound financial position over the last five years.

Dr Frost also concluded that Victoria's return to work performance has not improved substantially over the same period, and that while agents' case management practices were considered generally adequate, there is substantial scope for improving agents' performance to achieve good practice.

The audit found that in most of the 150 cases examined, injured workers returned to work at a level appropriate to their extent of incapacity. Weaknesses, however, in case management practice meant that it was impossible to assess the extent to which the outcome was due to the activities of the agent, whether the outcome was 'optimum' in the circumstances, or whether it was simply due to the natural recovery of the injured worker.

The report revealed that annual staff turnover rates are significant across agents and that 32 per cent of case managers did not have the minimum two years claims management experience. 'This situation points to a substantial skills shortage across all agents', said Dr Frost. VWA has developed a number of industry-specific qualifications in an effort to strengthen agent capability; however, there is no mandatory qualification for case management that is needed to support good practice.

The audit found that VWA's approach to performance monitoring is dynamic, but that it does not have a structured framework for systematically evaluating and reporting on the overall effectiveness of agents' case management and achievement of good practice. Also, agents are not remunerated on the basis of their performance against quality measures linked directly to good practice in case management. Dr Frost said that the results of the audit indicate that VWA needs to develop such arrangements.

The report made several recommendations directed at improving the quality of case management, agent capability and VWA's associated performance monitoring.

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Link to report: <http://www.audit.vic.gov.au>

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