

The ACC Experience Rating Framework

Recently ACC announced a change to its business premiums (levies) framework. The new Experience Rating Framework will reflect both the industry's and individual employer performance or claim history. The experience rating will not however apply to those accredited employers in the Partnership Programme. It is important employer's start to understand these changes and what impact they may have on their business. More detailed information is available on the ACC website at:

<http://www.acc.co.nz/for-business/experience-rating/index.htm>.

Below is a brief summary of the pertinent points.

The objectives of the experience rating are to:

- Provide a financial incentive to prevent injuries
- Encourage appropriate return to work programmes
- Make levies fairer for businesses by ensuring low-risk employers do not subsidise high risk employers

ACC believes adjusting levies to take into account an employer's claims history (experience) will encourage employers to invest in a safe workplace culture, which will protect employees and help contain their levy costs.

The experience rating will take many forms, depending on the size of an employer's business. The framework has 3 components;

1. Industry risk group
2. A No-claims discount programme for small employers (or a high claims loading)
3. An experience rating programme for large employers

Levies will be based on qualifying claims over the last 3 years. Thus if your experience (history) is better than the average for your industry group you will receive a discount, but if it is worse you will receive a loading.

The components used to calculate the experience-rated discount or loading to the levy are:

- The industry size modification
- Number of claims with medical costs > \$500 - please note this is easy to exceed once laboratory charges and imaging costs are incurred
- Number of fatal claims
- Number of weekly compensation days paid. The first week of a claim is 5 days, however consecutive weeks are counted as 7 days. This is capped at 365 days for any one claim in a 3-year period. Every day of the week is counted as a weekly compensation day even for part-time workers who may not work a full week e.g. an employee works Monday and Tuesday and is certified unfit for 10 days. This is counted as 10 weekly compensation days even though they would only work 4 of those days.

What Should You Do Now?

1. **Check your claims history is accurate** - if the claims are not accurate you have 3 months from the time of claim notification to dispute it. Don't wait for the annual claim report. Check the details as soon as you have received notification of a claim being lodged. Please be aware Labour Hire Companies are the employer not their subcontracted company so if you use these companies check your name is not on any injury claims for those people.
2. **Review the management of your long term claims**- remember every day off work counts against the employer- thus it is imperative to get people back to work as safely and quickly as possible. Be prepared to list alternative duties that would be possible given the limitations of the employee's injury. Work Health Solutions can help you with this process.
3. **Review your processes for your return to work programme** and if you don't have one, we can help you. Please contact us.

WELCOME TO OUR WINTER NEWSLETTER



Dr Simon Ryder-Lewis

Welcome to our winter newsletter! We always aim to keep you up to date with the latest developments in Occupational Health and Safety. If you have any questions about the articles here, or if we can help with any issues you have at work, please give us a call.

Our Services

- Individual Work Site Assessment
 - Walk through surveys
 - Hazard identification and management
 - Noise, lighting and air quality (dust) monitoring
 - OOS hazard identification and management
 - Health and Safety Compliance
- Pre-employment Medical exams
- UKOOA / OGUK exams
- Training for Staff and Management
 - Use of personal protective equipment
 - Stress and fatigue
 - Understanding the HSE Act
 - Influenza pandemic planning
 - Manual handling
- Health Monitoring
 - Work site clinics
 - Absenteeism management
 - Accident investigation
 - Hearing and respiratory testing
 - Injury management and rehabilitation
 - Gradual return to work programmes
 - Influenza vaccinations
 - Drug and alcohol testing
 - Occupational vaccinations
 - Travel medicine
- Healthy Workforce Programme
- Independent Medical Opinions

The ACC Experience Rating Framework cont.

4. **Review your current health and safety systems** to ensure they meet ACC audit criteria. Can you improve your injury prevention?
5. **Develop a rehabilitation policy** to reduce weekly compensation days. Include in it your expectations and responsibilities for not only the employer but the employee too.

What Can You Do To Minimise Future Claim Costs?

- Involve your employees with developing your health and safety and injury prevention processes. Their buy-in will mean these processes work more effectively
- Ensure you have a statement in your employment contracts that if there is an injury or accident at work the employer requires the employee to see the company medical doctor
- Don't have a company medical doctor?- get one. Work Health Solutions can offer you this service and we are available at the end of the phone to give advice. It is important you develop a relationship with an Occupational Doctor who can understand your business needs
- Develop a list of alternate duties. We can help you with this
- Ensure you have an accident reporting system

A Return To Work System

It is important to be proactive in getting injured employees back to work as safely and quickly as possible. At Work Health Solutions we often manage this process for our clients. We have developed a system for managers to use to manage the process of time off work for ill or injured staff. There are three documents;

- A consent form for release of information
- A letter to the treating doctor
- A check list of alternative duties for the doctor to fill out

Ideally these documents would be taken to their medical appointment by the staff member. This means the doctor can make a decision on alternative duties at the time of the visit. Please contact us to see if we can help you set up a process to meet your

Family Violence - How Employers Can Help

We have probably all seen the advertisements on TV- the 'are you OK' and 'its not OK' for addressing family violence. But how many of you have thought as employers we have a role to play in raising understanding of family violence and providing support for our employees affected by it? Family violence affects the safety and productivity of the workplace. Employers can act to address family violence as part of their health initiatives and subsequently can benefit in many ways.

1. Less staff absenteeism
2. Lower staff turnover
3. Greater productivity
4. Reduced safety risks
5. Improved staff morale
6. Reputation as a good employer
7. Community recognition

The below website has excellent resources for individuals and employers which are free and provides plenty of information about family violence, what it is and where to get help. There is an on-line business toolkit available to download at:

http://www.areyouok.org.nz/files/ItsnotOK_business_resource_forweb_final.pdf

Find out how you can get involved in making family violence **Not OK** in your workplace and within employee's families at this address:

<http://www.areyouok.org.nz>. Have this as one of your Wellness Programme topics.

It is time we all consider the way we think and act about family violence.



The general health information in this publication has been researched using reliable sources and is believed to be correct. However individual situations differ and no liability of any kind is undertaken to any person in respect of the information produced. Decisions on your own or others personal health and medical care must be made in consultation with your doctor. These materials are not intended to be legal advice. Therefore, readers should not rely on anything stated, and the author is not liable for any errors or omissions, in the materials in respect of a particular issue or circumstance. The reader must seek his or her own legal advice.