

**Submission to the Finance and Administration
Committee
Queensland Parliament**

**Inquiry into the Operation of Queensland's
Workers' Compensation Scheme**

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Authorised by:

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Executive Summary

Chapter 7 of the *Workers Compensation and Rehabilitation Act 2003* provides for the establishment of the Workers' Compensation Regulatory Authority, Q-COMP, whose primary function is to regulate the workers' compensation scheme. Under this scheme, WorkCover Queensland (Qld) provides accident insurance and various self-insurers appointed under the scheme monitor compliance of insurers with workers' compensation legislation and administer licensing arrangements and audits of insurer performance under the scheme.

The Australian Physiotherapy Association (APA) welcomes the invitation to comment on the current operation of Queensland's workers' compensation scheme. The opportunity to comment on emerging policy issues that have the potential to impact on worker rehabilitation is highly valuable, as the APA considers that consultations with key industry bodies is central for better management of the Q-COMP scheme. In particular, any suggestions by key industry bodies that result in improved rehabilitation outcomes and greater return to work rates are likely to save costs to the scheme in the long term by encouraging workers to return to work earlier and to remain at work.

To facilitate desired outcomes of early and durable return to work and function, the APA recommends the following:

Facilitate early and durable return to work

- the APA contends that WorkCover Qld and the self-insured employers should support early intervention, through the provision of evidence-based treatments and early workplace assessments that would assist a worker to maximise function and return to work more quickly;
- a reduction in administrative processes that limit access to primary treatment should be seriously considered;

Improve access for injured workers to APA-titled and specialist physiotherapists

- the APA contends that all physiotherapists operating within their scope of practice are able to treat injured workers, as well as provide preventative programs;
- APA-titled and specialist physiotherapists are extremely well qualified and the use of their skills is likely to be cost-effective, especially in more difficult and complex cases where increased function and/or earlier return to work is more problematic;

No further reductions to pre-approved treatment sessions

- the APA would strongly advocate against any further reductions in the number of pre-approved treatments provided to injured workers under the Q-COMP scheme;
- the APA submits that should any further reductions be introduced, recovery of injured workers would be severely compromised, which would hinder early and durable return to work;
- the APA advocates that no limit be placed on the number of treatments provided and that physiotherapists have the necessary clinical training and expertise to determine what constitutes appropriate care for the patient; and
- WorkCover and self-insurers do not currently limit medical treatment/access in the same way that they limit physiotherapy services and the APA contends that it is not the role of the insurer to limit access to vital return to work services.

Australian Physiotherapy Association

The Australian Physiotherapy Association (APA) is the peak body representing the interests of Australian physiotherapists and their patients. The APA is a national organisation with state and territory branches and specialty subgroups. The APA corporate structure is one of a company limited by guarantee. The organisation has approximately 13,000 members, some 70 staff and over 300 members in volunteer positions on committees and working parties. The APA is governed by a Board of Directors elected by representatives of all stakeholder groups within the Association.

The APA vision is that all Australians will have access to quality physiotherapy, when and where required, to optimise health and wellbeing. The APA has a Platform and Vision for Physiotherapy 2020 and its current submissions are publicly available via the APA website www.physiotherapy.asn.au.

Inquiry into the Operation of Queensland's Workers' Compensation Scheme

Background

Physiotherapy is a vital intervention in the rehabilitation of injured workers. The Australian Physiotherapy Association (APA) supports working towards creating a system that assists injured workers to access the most appropriate, quality care after injury. The APA welcomes an open consultation process with State Government, the regulatory authority Q-COMP and with Queensland WorkCover on a regular basis, both during formal processes such as scheduled submission opportunities and informal opportunities, such as stakeholder engagement meetings.

The APA recognises that Queensland's worker's compensation system has a number of advantages, in facilitating workplace rehabilitation accreditation and compliance activities that encourage early and durable return to work. The APA endorses Q-COMP's provision of advisory services in undertaking reviews of insurer decisions and overseeing the administration of medical assessment tribunals. The APA considers that regular reviews of structural and institutional working arrangements contributes further to making the scheme more affordable and efficient in the long term.

The APA supports reforms to the Q-COMP scheme, so far as any proposed reforms encourage early return to work and are commensurate with improving health outcomes. The APA acknowledges the value of making the scheme more sustainable in the long term, so long as measures implemented to reduce the costs of the scheme do not hinder early intervention, expedited return to work for injured employees or compromise improved health outcomes for injured workers.

Appropriateness of current self-insurance arrangements legislated in Queensland

The APA has tailored some part of this submission to focus on the following question posed by this Inquiry:

- *Whether the current self-insurance arrangements legislated in Queensland continue to be appropriate for the contemporary working environment.*

However, the Submission will also provide general comment on the functioning of the Q-COMP scheme, incorporating discussion of topics such as injury prevention and early intervention, the recognition of titled and specialist physiotherapists and the implications to the scheme of further reductions in pre-approved sessions of treatment.

Prior to consideration of these topics however, it is important to contextualise how current WorkCover case managers and licenced self-insurers manage claimants and the obstacles that prevent appropriate injury management under the scheme.

Management of workers' compensation claims by WorkCover Qld and licenced self-insurers

Under Q-COMP, agents are not employed in end-to-end claims management, as is common practice under the regulatory powers of state authorities operating in other states and jurisdictions across Australia. In Queensland, WorkCover and various self-insurers licensed by Q-COMP are responsible for managing workers' compensation claims and retain the responsibility of making decisions for the approval of treatments and rehabilitation interventions in the management of claims. Physiotherapists rely on the skill level and expertise of licenced self-insurers to provide guidance in best management practices of compensable injuries and in structuring a framework for returning injured persons back to work as soon as possible.

Proposal for establishment of Advisory Committee

The issue of internal claim managers determining an injured worker's course of treatment is of concern to the APA, as claim managers may well be influenced by internal policies for cost cutting and lack the necessary clinical expertise to ascertain the best course of treatment. This is of concern especially since Q-COMP maintains that it has no jurisdiction to influence insurer and service provider interaction patterns. The APA would support the development of an Advisory Committee comprised of relevant medical and allied health professionals and industry rehabilitation experts to focus on the implementation of standards for injury management in Queensland.

Insurer delays in approving patient treatment

Recent formal submissions to Q-COMP have highlighted recommendations that, if adopted, would improve communication between insurers, workers, employers, medical and allied health practitioners.

The APA has previously argued that communication between physiotherapists and insurers is hampered by delays experienced in approving treatment for compensable claims. In Queensland, WorkCover has adopted an internal policy that permits verbal authorisation instead of written PMPs which generally works well in facilitating early communication between the insurer and the physiotherapy provider but delays are created when a case manager is not assigned to make a determination for a WorkCover claim before preapproved sessions have been completed. There is also the issue that this verbal process has not been adopted by self-insurers. Q-COMP has responded to the APA that it has no jurisdiction to implement internal processes that would regulate timeframes mandated by WorkCover. Further, Q-COMP has clarified that it has no mandate to make the process of verbal confirmation, rather than a written PMP a mandatory practice for insurers.

In previous submissions, the APA has argued that if a reply to a request for approval is not received from an insurer within 5 days, approval should be deemed 'granted' and a physiotherapist should be able to continue with treatment. In response to the APA's submission of February 2011, Q-COMP clarified that adopting such a practice is outside of Q-COMP's authority, as Q-COMP has no power to change an insurer's business practices. Q-COMP had also cautioned that if a physiotherapist chose to continue with treatment, without further approval from the insurer, the

practitioner would have to accept the risk that an insurer may well refuse payment. In essence, Q-COMP's position is that it is unable to directly change the way insurers interact with providers.

Interaction between physiotherapists and WorkCover Qld claim managers

The APA also identified that WorkCover Qld claim managers were often too busy to return phone calls from physiotherapists, leaving the onus on the physiotherapist to make multiple phone calls to contact the right claims manager. The APA highlighted that delays in contacting claim managers were further exacerbated by the fact that many claim managers worked part-time, causing further delays in approval of physiotherapy treatments outside of the preapproved sessions, during which time a patient's condition may well have regressed. Since interactions between physiotherapists and WorkCover Qld case managers relate to processes involving insurers, Q-COMP responded to the APA that it could not directly change the way insurers interacted with providers but indicated that Q-COMP could potentially facilitate a roundtable discussion between the APA and WorkCover.

The APA would welcome future opportunities to further consult with Q-COMP in relation to the issues identified above, but for the purposes of this inquiry, the APA has narrowed the ambit of this submission to consideration of the following topics:

- the importance of early intervention in encouraging early and durable return to work;
- recognising the need for formal recognition of titled and specialist physiotherapists and the rehabilitative value of improving patient access to such services;
- the negative implications of further reductions to pre-approved sessions of treatment; and
- the lack of expertise amongst claims managers to make decisions about the cessation of treatment services, despite professional allied health advice to the contrary.

The importance of early intervention in encouraging early and durable return to work

Treatments that facilitate early and durable return to work reduce costs to the workers' compensation scheme by assisting injured workers to maximise function and return to work more quickly.

It is generally accepted that the longer a worker remains absent from work, the more likely they are to remain off work on a long-term or permanent basis¹.

Early intervention in the treatment of injured workers improves health, social, financial, interpersonal and intrapersonal outcomes by promoting recovery and preventing long-term disability and work loss^{2,3}.

Through early intervention, physiotherapists can identify and treat the onset of many acute conditions and injuries before such conditions develop into chronic conditions.

The APA contends that it is important for early intervention to be provided in the context of an effective workplace-based rehabilitation program, so that physical interventions provided by physiotherapists in the clinical environment are then transferred to the working environment. Unfortunately, it is increasingly common that the specifics of work requirements are often not known until later on, with the design of intervention being hindered by this lack of specific information. By knowing the physical requirements of the workplace earlier, physiotherapists can

design specific interventions that have a direct impact on the return to work process and physical capability of the worker.

Physiotherapists have highly developed skills in their assessment and understanding of pathophysiology and the biopsychosocial approach to rehabilitation, which enables physiotherapists to treat injured workers in clinical settings and also to offer specialised occupational rehabilitation treatments that facilitate early return to work. Many physiotherapists have completed post graduate studies in the field of occupational rehabilitation and are highly qualified to offer specialised services to insurers and employers.

The APA contends that WorkCover Qld and the self-insured employers should support early intervention, through the provision of evidence-based treatments and early workplace assessments that would assist a worker to maximise function and return to work more quickly. A reduction in administrative processes that limit access to primary treatment should be seriously considered.

The formal recognition of titled and specialist physiotherapists and the rehabilitative value of improving patient access to such services

All physiotherapists have the capacity to treat injured workers, provided the physiotherapist operates within their scope of practice by administering interventions in which they have appropriate training and experience.

Evidence has demonstrated that experienced physiotherapists have higher levels of knowledge in managing musculoskeletal conditions than medical students, physician interns and residents and all physician specialists, except for orthopaedists⁴.

The APA National Physiotherapy Service Descriptors for 2012 identify a Level 1 physiotherapist as an APA member, a Level 2 physiotherapist as an APA-titled member (clinical Masters degree or equivalent) and a specialist physiotherapist as a practitioner who is a Fellow of the Australian College of Physiotherapists.

Physiotherapists are particularly concerned about equity of access for clients with complex injuries and conditions and have organised meetings between Q-COMP and the Australian College of Physiotherapists to provide opportunities to discuss the training and experience required to attain titled and specialist status, including details regarding the rigorous examination process. The APA was also asked to provide further information on the APA's preferred model for accessing specialist physiotherapists and to base the suggested referral model on the needs of the injured worker, as assessed by a medical practitioner or treating physiotherapist.

The APA proposed, at the time, that the Queensland model for specialist treatment be one that is based on the needs of the injured worker, as assessed by a medical practitioner or treating physiotherapist. The APA model for access to specialist items would include the following features:

- The creation of specific items in the table of costs for specialist consultations;
- Injured workers would be free to self-refer to a Specialist Physiotherapist. The fee would be the appropriate general consultation fee according to the Table of Costs e.g. initial, subsequent, specific etc;
- Where a client was referred by a medical practitioner or physiotherapist, or had a specific injury/condition that was deemed to be better suited to specialist treatment, specialist fees would be payable;
- The APA would be pleased to collaborate with Q-COMP to develop guidelines for medical practitioners, physiotherapists and insurers around these issues;
- It is envisaged that in many cases a Specialist Physiotherapist would take on a consultative role;
- In these cases, after assessment and a treatment program was implemented, clients could be referred back to the initial treating physiotherapist for implementation and monitoring of the Provider Management Plan (PMP);
- Where a Specialist Physiotherapist provided consultancy services to a physiotherapist with a complex case, the treating physiotherapist would retain overall responsibility for the client's ongoing physiotherapy treatment; and
- A referrer would be required to specify the appropriate speciality area.

Just as more difficult and complex medical cases will sometimes be referred to medical specialists, the APA submits that more difficult and complex cases be referred to APA-titled and specialist physiotherapists, especially where such referral could result in improved treatment outcomes such as increased capacity, earlier return to work and reduced compensation costs.

Given the advanced quality of treatment and rehabilitation services provided by specialists and the fact that specialist physiotherapists are easily accessible (in Queensland there are 34 specialists, compared with other physiotherapists), the APA does not believe that allowing injured workers access to specialist practitioners would significantly increase the costs of operating Queensland's workers' compensation scheme. This is because any increased costs to the scheme in the short term are likely to be counter-balanced by increased cost savings in the long term through reduced compensation payouts. If Q-COMP facilitates access to APA-titled and specialist physiotherapists early in the claims management process, workers with complex and/or severe conditions can

receive specialised treatment early on, which could facilitate a quicker recovery than if the worker received treatment at the hands of a non-specialist physiotherapist.

The APA has consulted independently with Q-COMP in the past, to discuss career pathways for titled and specialist physiotherapists. Q-COMP has responded that there are no provisions under the current WorkCover processes that enable the expertise of physiotherapists with these credentials to be recognised. In facilitating the formal recognition of titled and specialist physiotherapists, the APA has previously proposed to Q-COMP that new item numbers be developed to reflect higher credentialed status of titled and specialist physiotherapists and that such services provided by titled and specialist physiotherapists should be costed higher accordingly. The APA is however open to negotiating appropriate costs for specific item numbers for such services.

The APA contends that all physiotherapists operating within their scope of practice are able to treat injured workers, as well as provide preventative programs. APA-titled and specialist physiotherapists are extremely well qualified and the use of their skills is likely to be cost-effective, especially in more difficult and complex cases where increased function and/or earlier return to work is more problematic.

The negative implications of further reductions to pre-approved sessions of treatment

In an earlier submission of February 2011, the APA expressed concern regarding Q-COMP's unilateral decision to reduce pre-approved sessions from 7 to 5 consultations, without any prior warning or consultation with industry bodies such as the APA. The APA submitted that physiotherapists should have been consulted on the clinical aspects of pre-approved sessions, to give consideration to workers with acute or chronic conditions that require extended care or patients requiring rehabilitation after surgery.

The APA undertook a survey of its members at the time on the effects of reductions in pre-approved treatments and 85% of respondents commented that since the reduction in pre-approved sessions, there has been an increase in administrative barriers to best practice clinical treatment. This is of fundamental concern to the APA since physiotherapists treating compensable patients already face additional administrative requirements, compared with a lesser administrative burden when treating private patients.

A further drawback of reducing pre-approved sessions to five consultations is that such a reduction hampers communication with insurers, especially as case managers may not even have been appointed at such an early stage. Where a case manager has been appointed, 89% of APA members surveyed still responded that the new requirements have increased the time required to manage a workers' compensation client. Respondents highlighted that, in particular, significant time was spent making multiple phone calls to case managers in an attempt to contact the right case manager and arrange for timely approval of treatments.

Another significant problem concerns approval delays for Provider Management Plans (PMPs), especially if there is no case manager assigned. For instance, if an acute patient attends a physiotherapy clinic twice weekly, at their GP's request of bi-weekly treatment sessions, the insurers are often unable to process the paperwork associated with such treatments until several weeks later. This means that, after two weeks of acute treatment, which represents a critical phase of patient recovery, treatment may for instance cease for another ten days before further insurer approval is granted. The APA submits that such delays in treatment compromise the quality of patient care and hinder early recovery.

A hiatus in treatment continuity can result in the regression of a patient's condition, which means that once further treatments are approved by the insurer, these subsequent treatments are geared mainly towards returning the worker back to the condition that they were in at the last consultation, prior to the break in treatment. Another consideration for the APA is that a condition which is not properly treated early on can result in an acute condition continuously regressing to the point where an otherwise treatable condition progresses to chronicity because of unreasonable delays in treatment.

The APA would strongly advocate against any further reductions in the number of pre-approved treatments provided to injured workers under the Q-COMP scheme. The APA submits that should any further reductions be introduced, recovery of injured workers would be severely compromised, which would hinder early and durable return to work. The APA advocates that no limit be placed on the number of treatments provided and that physiotherapists have the necessary clinical training and expertise to determine what constitutes appropriate care for the patient. WorkCover and self-insurers do not currently limit medical treatment/access in the same way that they limit physiotherapy services and the APA contends that it is not the role of the insurer to limit access to vital return to work services.

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