

# **A Best Practice Framework for the Management of Psychological Claims:**

*But where are we up to in practice?*

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ALUCA Conference, Adelaide

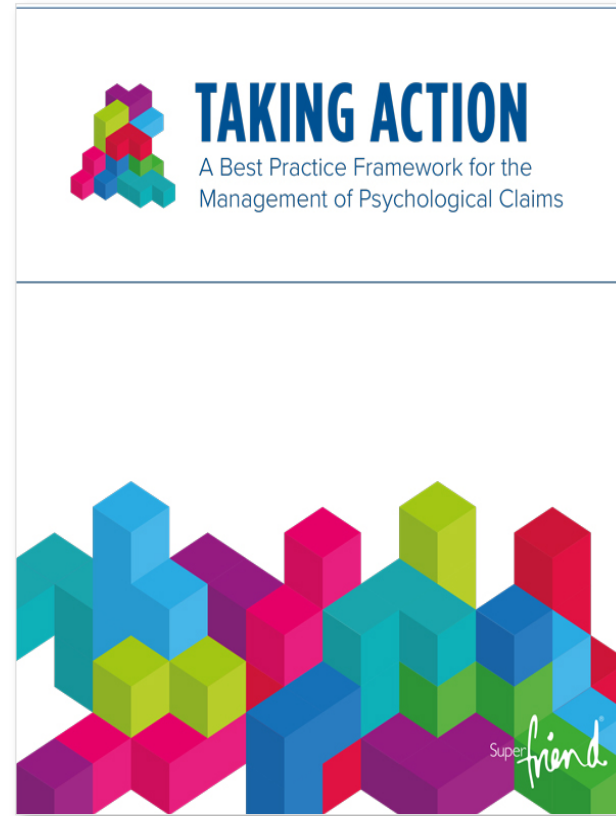
20 October 2016

# Best Practice Framework

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Available from

[www.superfriend.com.au](http://www.superfriend.com.au)



# Methodology for developing the Framework

RESEARCH AND CONSULTATION



DEVELOPMENT AND TESTING

Rapid review of evidence - draft

Consulting with insurer & expert panels

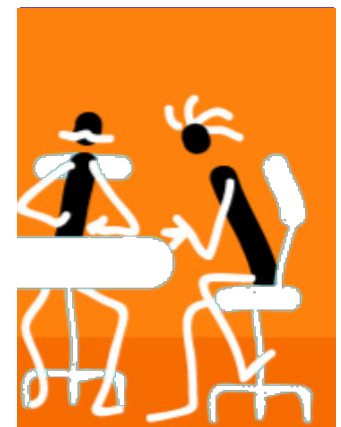
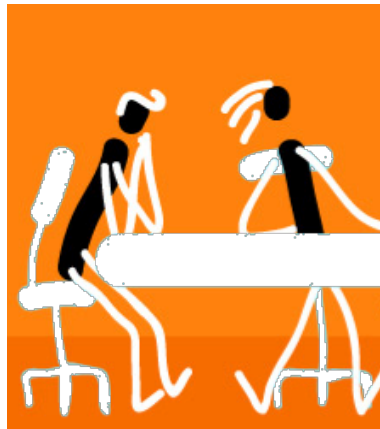
Synthesis of evidence

Writing up Framework

Collection of innovation case studies

Theory of Change workshop

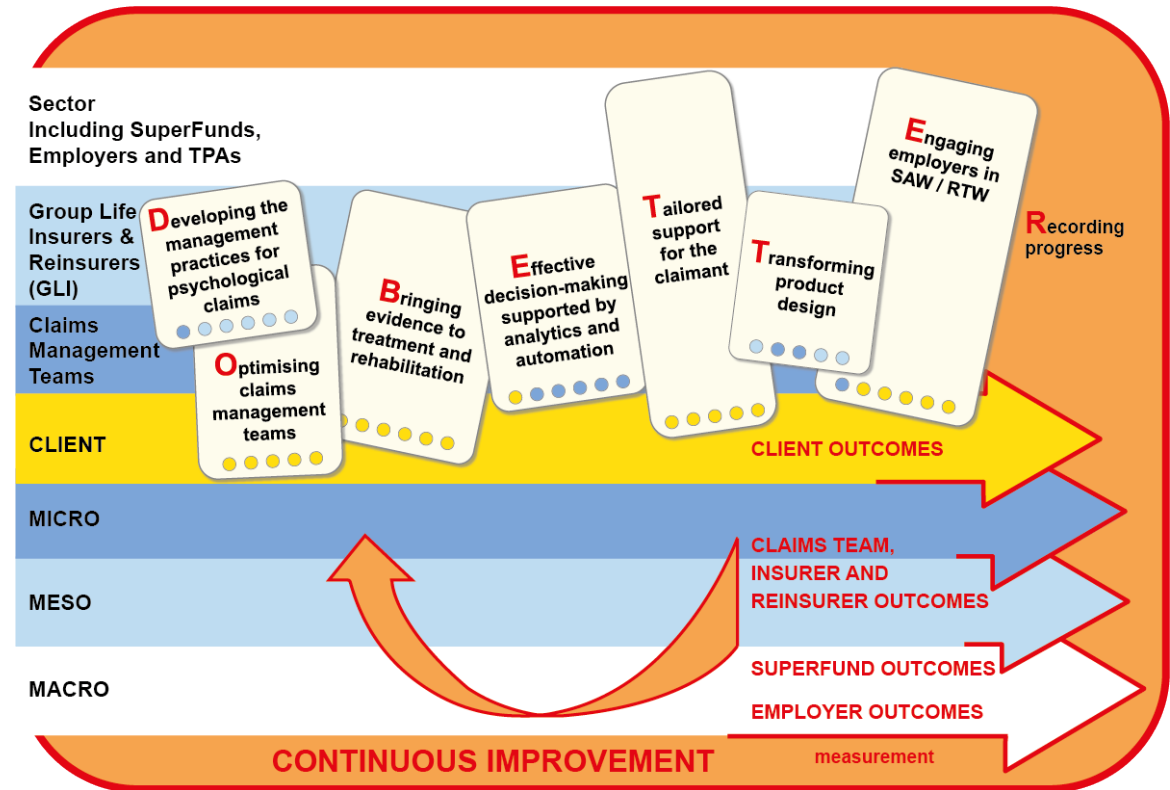
Testing: Implementation Workshop



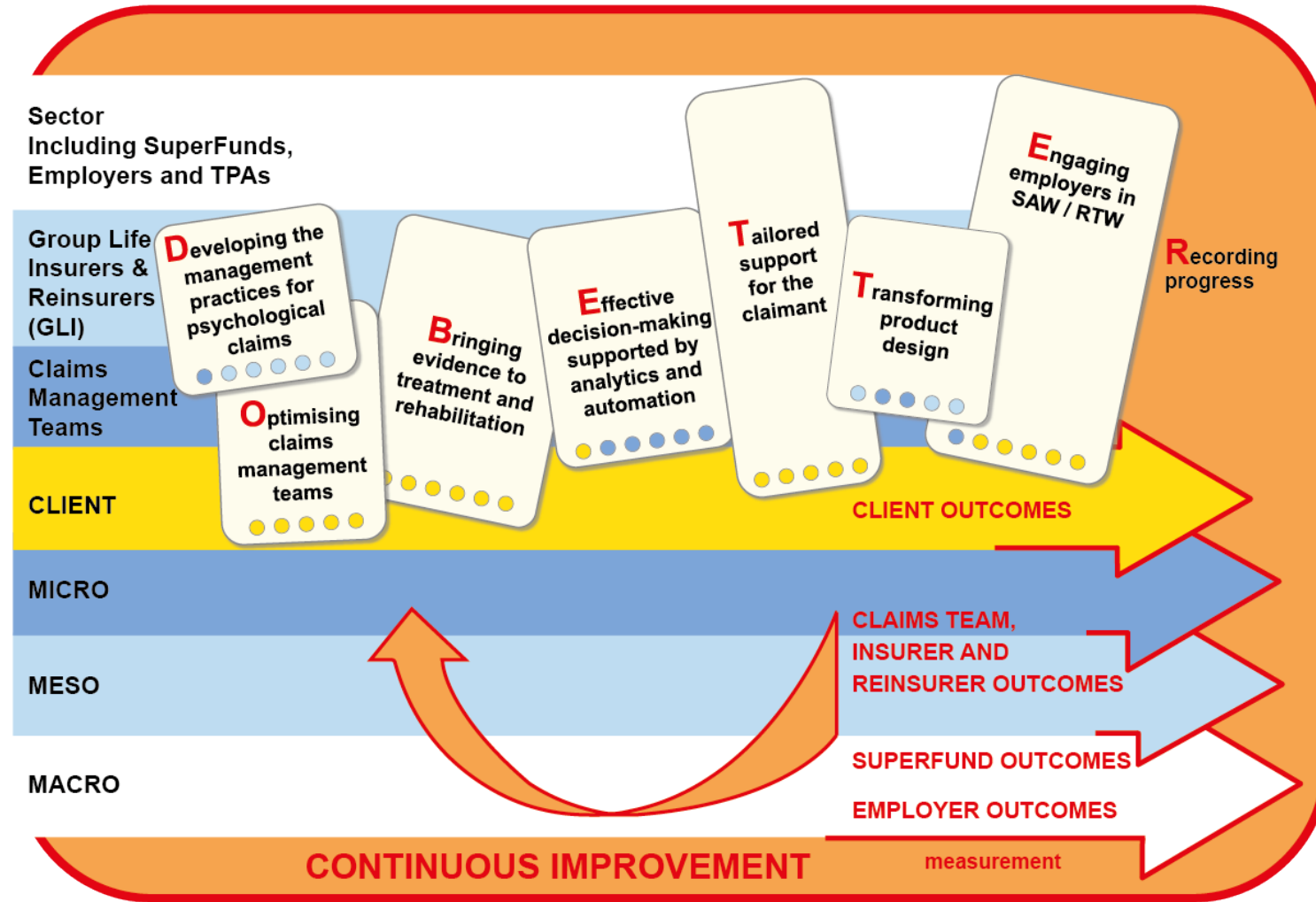
# Best Practice Framework

‘LOOSELEAF’ MODULES TO BE SELECTED & ADAPTED BY EACH ORGANISATION.

A PROCESS OF CONTINUOUS IMPROVEMENT IN OUR OUTCOME SPACES.



# Best Practice Framework



# Swiss Re – ICA / ALUCA

## Excellence & Innovation in Return to Work Award

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Excellence & Innovation  
in Return to Work Award



Swiss Re



INSURANCE  
COUNCIL  
OF AUSTRALIA



Assumed the 10 entries reflected state of  
best practice in the industry

# Developing the management practices for psychological claims

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## BEST PRACTICE:

- Customer-centred processes
- Collaboration with stakeholders
- Right support intervention for the PoC
- Outcome-focused decision-making



Major source: AIA Principles of Best Practice in Occupational Rehabilitation

# Case study 1 – AMP

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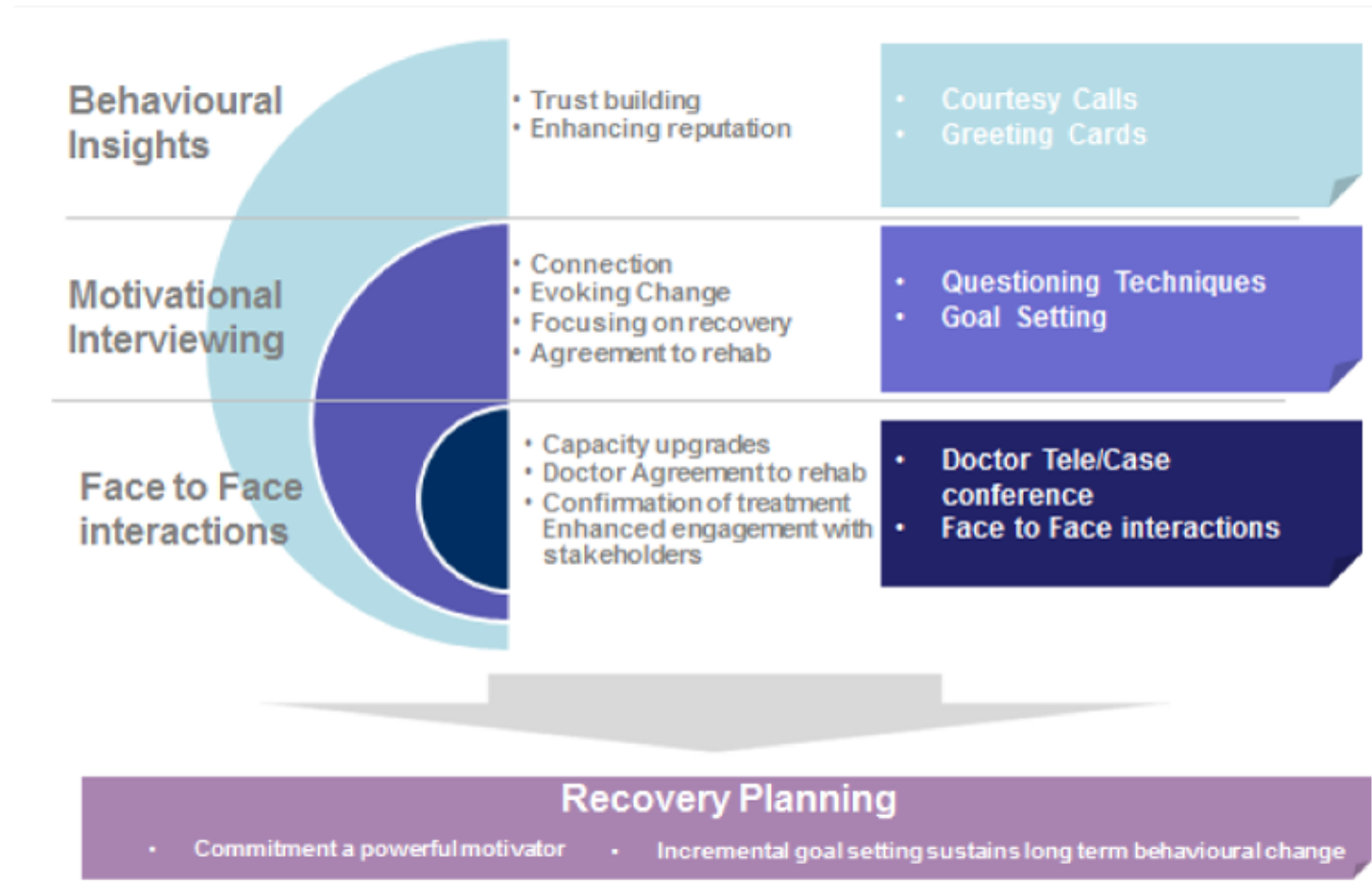
AMP   
*LIFE AWARD*

Engaging long duration customers to help them get back to their best life.

- Aimed to improve customer insurer relationships and assist in best life outcomes for customers who had been off work for a number of years
- ✓ Achieved 22 upgrades in work capacity (5x greater than expected); targeted 400



# Case study 1 – AMP



# Optimising Claims Management teams

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## BEST PRACTICE:

- Claims Manager single point of contact for PoC
- End to end project management
- Builds trust, has good motivational interviewing skills, customer-centric, BPS lens
- Has delegations and protocols
- Role clarity with other advisors and stakeholders
- Appropriate case load
- Outcome focus.

# Case study 2 – ClearView



Optimising rehabilitation within  
life claims management program

Aimed to lift capability of claims assessors in identifying  
and managing claims suitable for rehabilitation.

ROI  
10:1

Achieved:

↓ Average claim  
duration  
decreased  
from 3 months  
to 2 months

↑ Rehab  
utilisation  
increased from  
9% to 16%

↑ Claims  
assessor  
capability  
3x increase  
in self efficacy

↑ QA increased  
(including  
in dealing  
with Drs)

# Case study 2 – ClearView

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1. Reviewed back log of claims, selected suitable claims, planned approach – IPAR
2. Training of Claims assessors by IPAR:
  1. HBOGW
  2. RTW services
  3. Best practice RTW mental health claims
  4. Assertive communication
  5. Motivational interviewing
3. Coaching and mentoring – transition from directive to mentoring
4. Risk and rehabilitation needs assessment (decision support tool).

# Bringing evidence to treatment and rehabilitation

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## BEST PRACTICE:

- Claims managers have access to constantly updated information on effective treatment and rehabilitation of mental ill health
  - Experts
  - Online repository
- More robust provider management arrangements
- Use purchasing power to influence provision of evidence-based care and better quality of medical/health reports
- Use influence with claimants and treating health care providers
  - Cultivate relationships with GPs at insurer and sector levels
- More realistic and better defined relative roles between claims managers and medical/health advisors.

*Continued...*

# Bringing evidence to treatment and rehabilitation con't

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## BEST PRACTICE:

- Tele-health prevent delays in receiving care, support co-ordinated care and facilitate collaboration across professions
- Web-based interventions significant benefits to clients and providers
- Health and RTW outcomes improved with work-focused treatments
- Addressing low expectations of recovery early in the course of illness reduces likelihood of chronicity
- Multifaceted rehab interventions more effective in RTW.

# Case study 3 – EML, NSW and iCare

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## GENERAL INSURANCE

Work injury screening and early intervention study – WISE study

**Aimed** to test an early intervention approach for workers with soft tissue injuries identified with days of their injury (previous Concord study had showed promise with 14% decrease in claims costs)

### Achieved:

24% claims identified as high risk

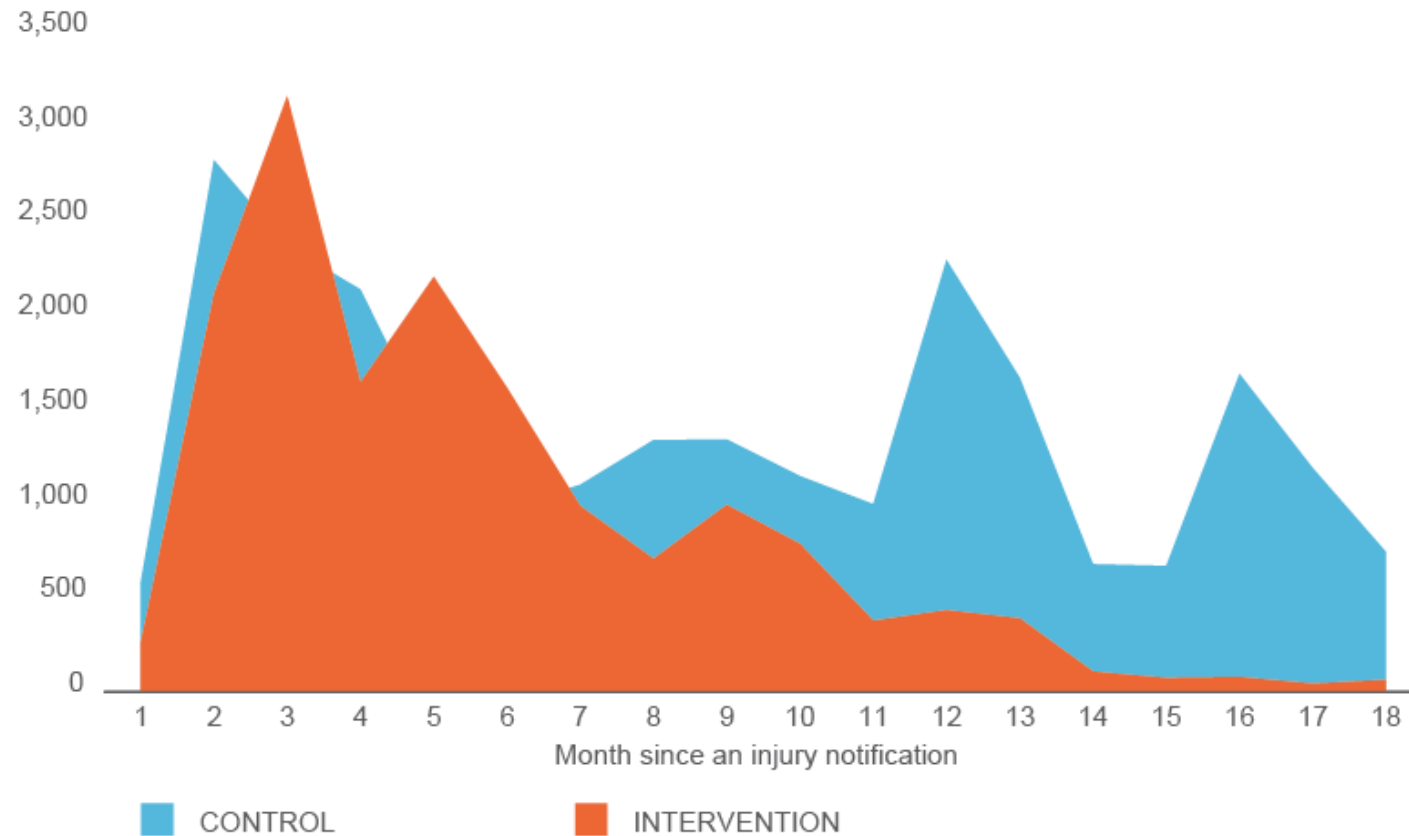
22% savings risk Vs control (15k Vs 20k at 18/12)

46% less days lost risk Vs control (30 Vs 56 av. duration)

Increased initial investment

# Case study 3 – EML, NSW and iCare

GRAPH 1 - WISE: TOTAL COST OF CLAIM OVER TIME (\$)





# Case study 3 – EML, NSW and iCare

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- 580 injured workers from 17 hospitals around NSW
- Intervention:
  - ➔ Screening questionnaire – Claims manager
  - ➔ RTW co-ordinator
  - ➔ Psychologist
  - ➔ IMC
  - ➔ IPC
- Capacity building:
  - ➔ Retraining for EML Case managers, NSW Health staff, workers comp managers and RTW co-ordinators
  - ➔ Development of a network of psychologists

# Case study 4 – BT

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***LIFE AWARD***

**Measuring health to improve customer outcomes**

**Aimed** for the ability to screen health status and tailor interventions accordingly

**Achieved:**

Developed a measure (HOM) and established a benchmark of 84% improvement in 12/12 on average for 68 customers who participated in the HS program

# Case study 4 – BT

## MEASURING HEALTH TO IMPROVE CUSTOMER OUTCOMES

WHODAS 2.0: Six domains of functioning



Health Support Toolkit

### Functional Recovery Intervention

#### Physical Recovery Intervention

- > Work conditioning programs
- > Fatigue management plans
- > Functional restoration program
- > Provision of assistive devices
- > Pilates/yoga

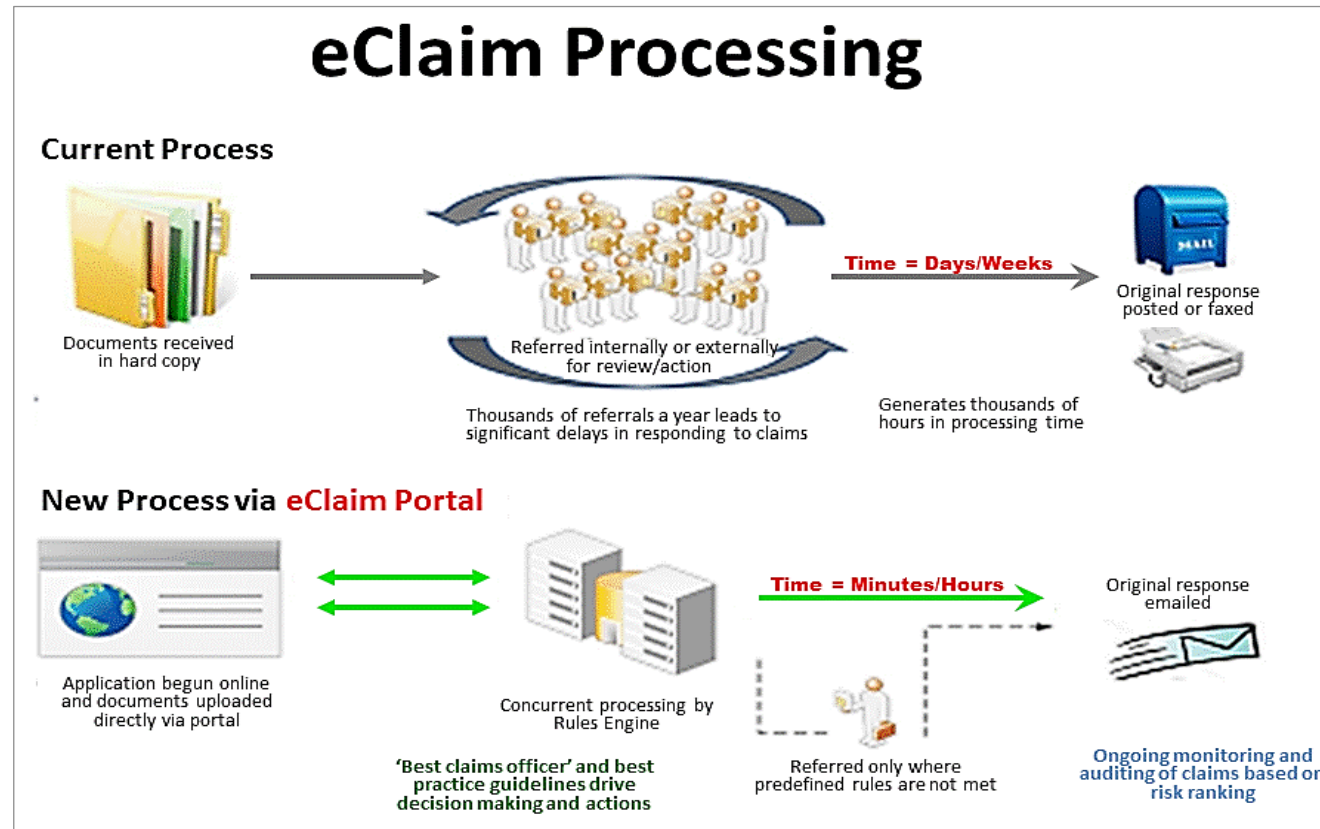
#### Psychological Recovery Intervention

- > Adjustment to disability counselling
- > MBSR
- > Resilience box
- > Enrich program
- > Relaxation programs
- > Graded exposure programs

#### Cognitive Recovery Intervention

- > Activity scheduling
- > Cognitive re-training programs
- > Memory strategies

# Effective decision-making supported by analytics and automation



Source: John Wise Technology

# Effective decision-making supported by analytics and automation

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## HOW WOULD GROUP LIFE INSURERS FUNDS TAKE ACTION?

- Standardise data, ideally cleansed data for mining from a variety of sources, eg insurers, superfunds, ISCRR, ? Role for SuperFriend
- Effectively broadening current actuarial model to include better quality risk data (BPS), and health and social outcome data
- Service in the cloud, insurers could use data to inform commercial product design, pricing & claims process.

# Tailored support for the person on claim

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## BEST PRACTICE:

- Seamless and timely early decision-making and communication through 1 point of contact: funds, administrator, insurer
- Better information to member about support available at point of need not crisis, insurance, claims processes
- Collaboration to develop more support services, building on what employers already have in place, with the aim SAW
- Provisional liability
- Early notification to insurer and fund, integrated disability management, especially workers compensation.

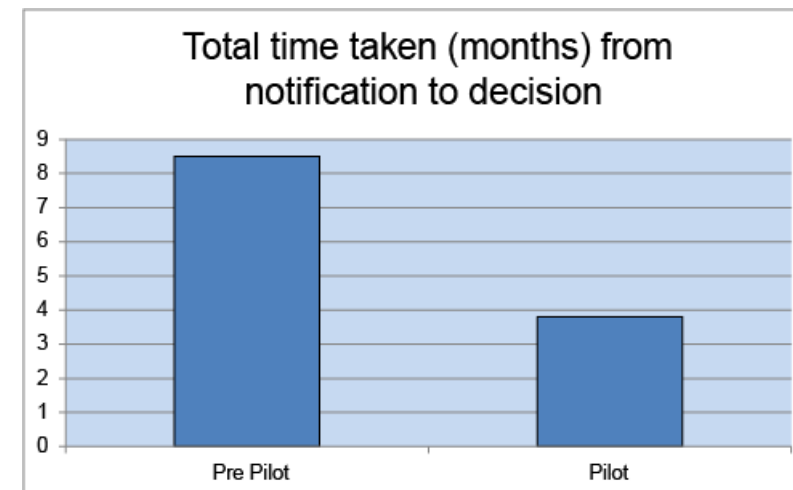
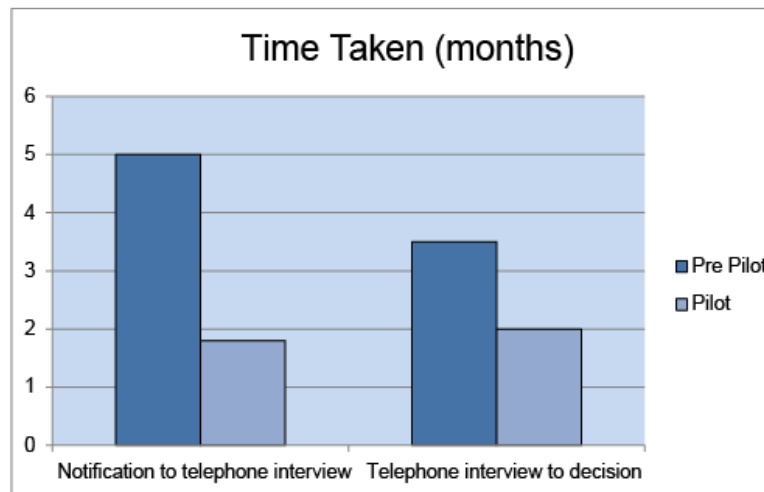
# Case study 5 – OnePath



LIFE AWARD

**Aimed** to improve TPD customer experience through faster and more open communication and exchange of information to speed up decision-making and support superannuation funds to assist with RTW.

**Achieved:**



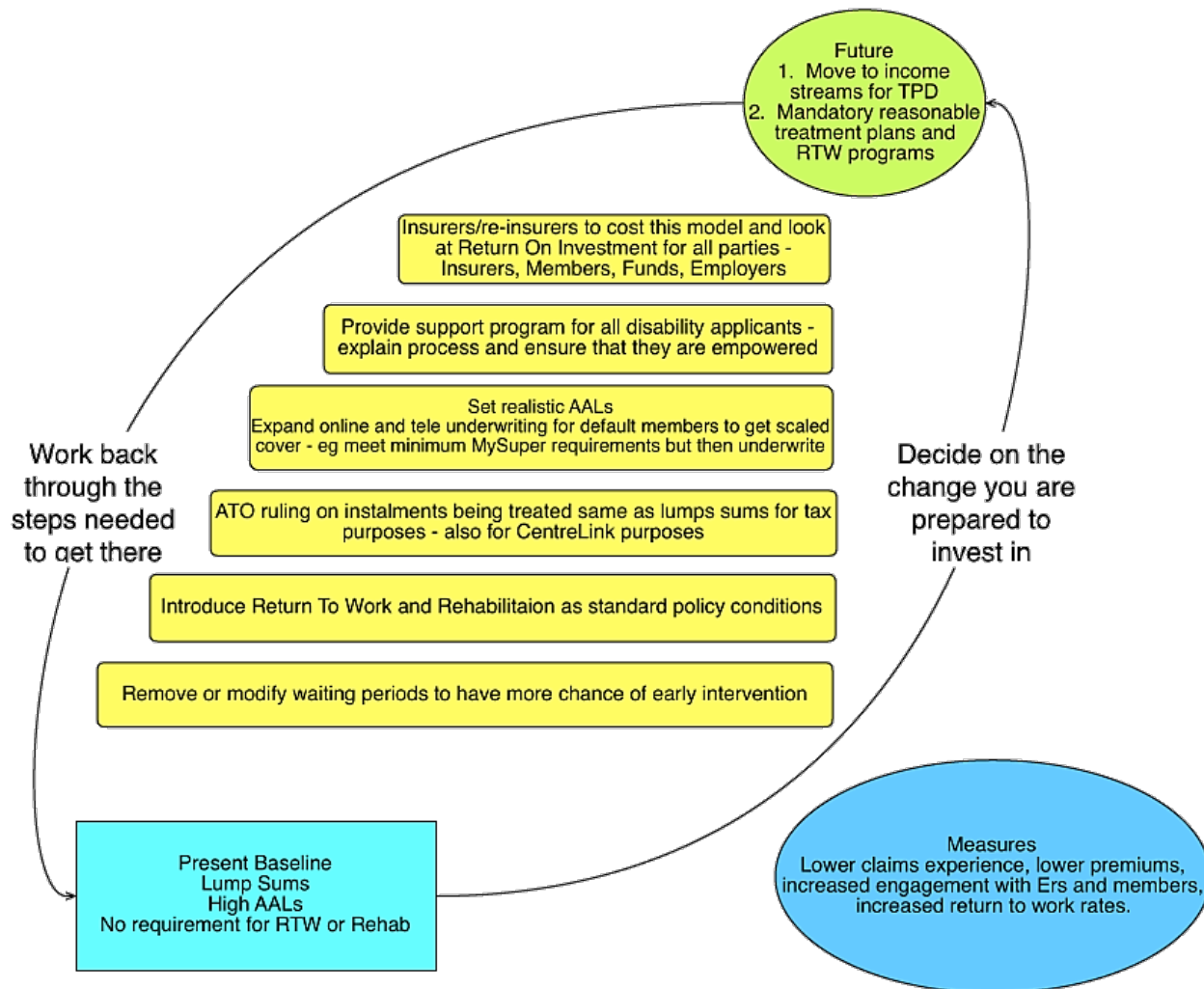
# Case study 5 – OnePath

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- ➔ PoC makes enquiry to Fund about TPD claim, transferred directly to OnePath
- ➔ Eligibility checked, telephone interview booked within 24/24
- ➔ Interview and management plan
- ➔ Treating parties and employer contacted
- ➔ Claim assessed



# Transforming product design



Scope to think more creatively here:  
? Relationship between health and life  
? Role of incentives

Source: Implementation workshop, 2014

# Engaging employers in SAW/RTW

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## BEST PRACTICE:

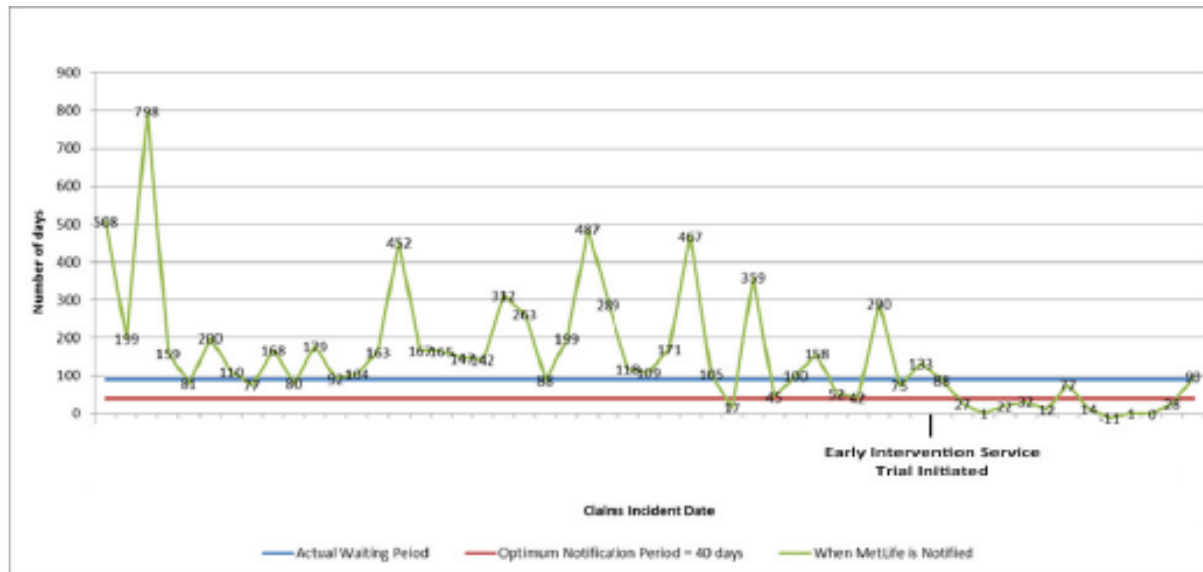
- Engage employers in developing before claim options
- Consider incentives for SAW/early RTW – currently perceived as a risk and a cost; build business case
- Address stigma
- Recognise differences in work accommodation for mental health.

# Case study 6 – MetLife

## MetLife® Corporate Early Intervention Service

**Aimed** that MetLife be informed of an employee absence within 30 days (pre-claim) for referral to Corporate Early Intervention Service.

**Achieved:**



# Case study 6 – MetLife

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## Early Intervention Service

- Initial needs assessment
- RTW planning
- Work conditioning
- Workplace assessment
- Vocational assessment
- Vocational counselling
- Medical case conference
- Optimising medical treatment
- Reactivate

## How did they get the referrals

- Trial with one corporate partner
- Suggest employers:
  - ➔ Have a process that triggers obtaining support following employee absence due to disability
  - ➔ Extend principles of workers comp injury management and RTW to all employees whether work-related or not.

# Recording progress

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## BEST PRACTICE:

Continuous improvement – incremental change

Measurement of outcomes for all stakeholders:

- Claimant – health and social outcomes
- Insurer – staff competency, performance, satisfaction, costs
- Superannuation Funds – member satisfaction, costs
- Employers – absenteeism and presenteeism.



Acknowledgements for SuperFriend project:  
Anne-Marie Feyer, Jane Palmer, Barbara Saltmann

# Case study 7 – Suncorp

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## Rehabilitation Care Pack

**Aimed** to focus on achieving improved customer outcomes through better customer advocacy and engagement, and thereby better claims duration and reserving metrics

### **Achieved:**

- ✓ High customer satisfaction
- ✓ High staff engagement
- ✓ Reserve savings of \$124 129 over 9 claims.

# Case study 7 – Suncorp

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1. Reviewed customer feedback of Life claims and concluded:
  - ➔ Customers felt a lack of support in rehabilitation
  - ➔ Staff felt unable to assist
2. Brainstormed solution with representatives from legal, claims, rehabilitation, technical and executive management:
  - ➔ Holistic support for better client outcomes
  - ➔ Reduced red tape
  - ➔ Resourced a pilot
  - ➔ Leveraged existing activities for implementation
  - ➔ Set goal for savings
3. Gained support board, staff, customers
4. Ran pilot with a small group, tracking key metrics along the way
5. Reviewed experience and results, identified successes (achieved goals) and issues for further improvement.

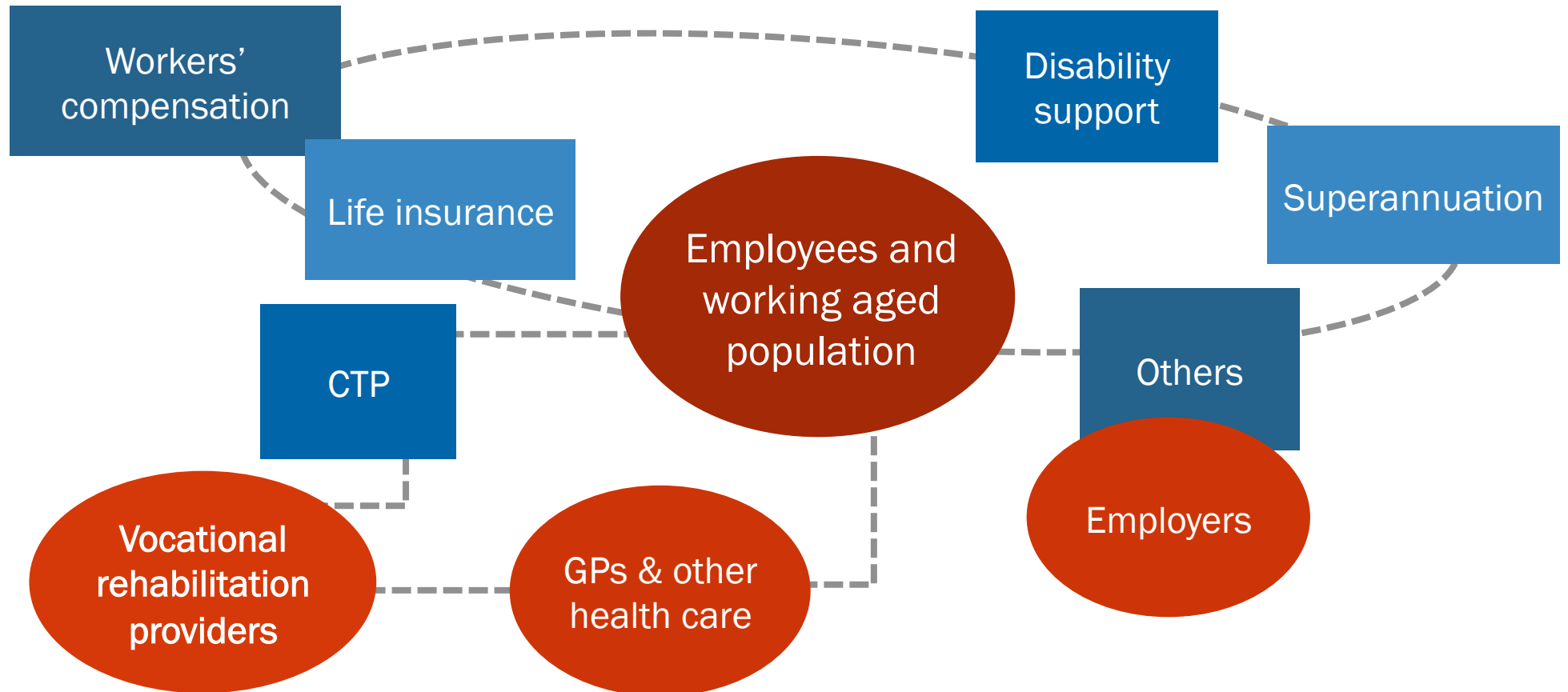
# My conclusions on state of Industry

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DO BETTER



# Cross sectoral collaboration to improve work participation



# Conclusion

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An analysis of the entries in the Swiss Re Awards for *Excellence and Innovation in Return to Work* against SuperFriend's *Best Practice Framework for the Management of Psychological Claims* has shown that the life insurance industry is improving through innovation and transformation:

- Significant innovation at the micro-level: customer-centred services; transformation of claims manager role
- Meso-level: use of analytics and decision-support quite limited; innovation on product design still to emerge
- Macro-level: early innovation in engagement with superannuation funds and employers; Collaborative Partnership for Work Participation an opportunity to improve engagement with health providers
- Commitment to continuous improvement methods at an early stage, still going from project to project, with often weak measurement.



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