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WorkCover

WorkCover Work Capacity Guidelines

Workers Compensation Act 1987

Workplace Injury Management and Workers Compensation Act 1998

I, Julie Newman, the Chief Executive Officer of the WorkCover Authority of New South Wales, under section 376 (1) of the *Workplace Injury Management and Workers Compensation Act 1998* and section 44A of the *Workers Compensation Act 1987*, issue the following guidelines.

Dated this 8th day of August 2013.

JULIE NEWMAN

Chief Executive Officer PSM

WorkCover Authority



Work Capacity Guidelines

Instructions and guidance to insurers regarding the appropriate and consistent application of work capacity assessments, decisions and reviews.

These Guidelines come into effect on 12 August 2013.

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1. Introduction

In June 2012 the Government introduced changes to the NSW worker's compensation system. The changes are focussed on encouraging and assisting injured workers to stay at work as part of their rehabilitation wherever possible, or to support their safe return to employment. The changes will also reduce the impact of injury on workers and their families. The changes will provide better financial support for seriously injured workers and assist employers to meet their return to work commitments. The concept of a work capacity assessment was introduced as an important part of return to work planning and determination of entitlement to weekly payments.

These changes were introduced in the *Workers Compensation Legislation Amendment Act 2012* (referred to as '*the 2012 Amendment Act*') passed by Parliament on 22 June 2012 and assented on 27 June 2012. *The 2012 Amendment Act* amended the *Workers Compensation Act 1987* (referred to as '*the 1987 Act*') and the *Workplace Injury Management and Workers Compensation Act 1998* (referred to as '*the 1998 Act*').

1.1. Purpose

This document provides instructions and guidance to insurers regarding the appropriate and consistent application of work capacity assessments and decisions in the NSW workers compensation system. It also explains the process for insurers' internal review of work capacity decisions when this is requested by a worker, including matters concerning the following specific sections of *the 1987 Act*:

- Section 38 Special requirements for continuation of weekly payments after second entitlement period (after 130 weeks)
- Section 43 Work capacity decisions by insurers
- Section 44 Review of work capacity decisions
- Section 44A Work capacity assessment
- Section 44B Evidence as to work capacity

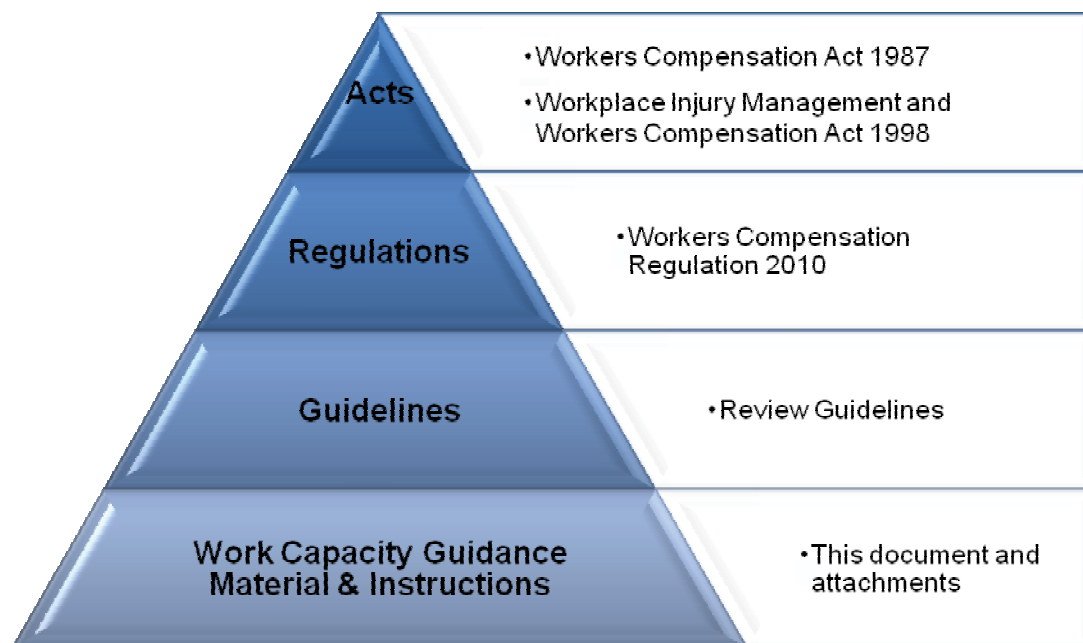
The work capacity assessments provisions do not apply to those workers whose claims are excluded, including police officers, paramedics and fire-fighters, people injured working in or around coal mines, volunteer bush fire fighters, emergency and rescue service volunteers, people with a dust disease claim under the *Workers Compensation (Dust Diseases) Act 1942*, or workers who currently receive weekly payments as a result of an injury under the *1926 Act*. Seriously injured workers, as defined by section 32A of the *1987 Act* are not required to undergo a work capacity assessment unless the worker requests it and the insurer considers such an assessment appropriate.

From 12 August 2013, these guidance materials and instructions will apply to all claims.

1.2. Legislative framework

These guidance materials and instructions are to be read in conjunction with, and in light of, the legislative framework governing work capacity certificates, assessments, decisions and reviews as contained in the relevant legislation and delegated legislation including

- *the 1987 Act*
- *the 1998 Act*
- *the Workers Compensation Regulation 2010* (referred to as *‘the Regulation’*)
- *Guidelines for work capacity decision internal reviews by insurers and merit reviews by the Authority* (referred to as *‘the Review Guidelines’*) as gazetted.



2. Guiding principles

2.1. A focus on facilitating the worker's capacity for work

Work promotes recovery, reduces the risk of long-term disability and loss of employment, and improves quality of life and wellbeing. An integrated and multi-disciplinary approach to injury management supports the worker to stay at work as part of their rehabilitation wherever possible, and participate in opportunities to improve their capacity for employment.

It is essential that all relevant parties work together. Early development of clear return to work goals, the injury management plan, and regular reviews of the plan are important elements to support the worker's rehabilitation.

2.2. Effective communication throughout the life of the claim

Transparent and effective communication from notification of an injury onwards can help to set clear expectations regarding the roles and responsibilities of the worker, insurer, employer and medical and other service providers.

The implementation of this claims management approach, and any associated decisions must include plain language communication and be considerate of the worker's and employer's primary language, cultural background and literacy skills.

Communication issues and difficulties should be promptly addressed to ensure expectations are aligned and to minimise the risk of disputes.

2.3. Soundly based decisions

All decisions made in relation to the worker's recovery and work capacity should be timely, informed and evidence based. Decisions should be made and communicated in a transparent and robust manner free from preference and prejudice ensuring that effective outcomes are achieved and due process is followed. Decisions should be made in line with the *Best Practice Decision-Making Guide*.

The insurer must use a sound decision-making model that includes appropriate controls and review processes aligned with the *General Insurance Code of Practice* incorporating a quality assurance and continuous improvement framework.

2.4. A tailored approach

Work capacity assessments should be tailored to the worker. An understanding of the worker's circumstances and their injury ensures the right approach at the right time.

3. WorkCover NSW Certificate of Capacity

(1987 Act: S.44B)

From 1 October 2012, the *WorkCover NSW Certificate of Capacity* (catalogue no. WC01300) replaces the WorkCover medical certificate as the primary tool for the nominated treating doctor or treating specialist to communicate with all parties involved in the return to work process.

The certificate of capacity is attached at section 7.1

The nominated treating doctor or treating specialist is responsible for completing the certificate of capacity. The *Information for medical practitioners completing the WorkCover NSW Certificate of Capacity* provides further detail regarding the certificate.

The certificate of capacity is one of the many sources of information used to help inform a tailored approach to injury management and return to work planning for each worker.

The worker is responsible for providing a completed certificate of capacity to the employer and the insurer to be eligible for weekly payments.

4. Work capacity assessment

(1987 Act: S.32A, S.44A)

A work capacity assessment is an assessment conducted by the insurer of a worker's current work capacity in accordance with section 44A of *the 1987 Act*.

current work capacity, in relation to a worker, is defined in section 32A of *the 1987 Act* as:

“a present inability arising from an injury such that the worker is not able to return to his or her pre-injury employment but is able to return to work in suitable employment.”

A work capacity assessment undertaken by the insurer is a review of the worker's functional, vocational and medical status and helps to inform decisions by the insurer about the worker's ability to return to work in his or her pre-injury employment or suitable employment with the pre-injury employer, or at another place of employment.

The insurer may conduct a work capacity assessment at any stage throughout the life of a claim. It is an ongoing process of assessment and reassessment that commences on notification of a workplace injury and continues as needed during the life of the claim.

suitable employment, in relation to a worker, is defined in Section 32A of *the 1987 Act* as:

“employment in work for which the worker is currently suited:

(a) *having regard to:*

- (i) *the nature of the worker's incapacity and the details provided in medical information including, but not limited to, any certificate of capacity supplied by the worker (under section 44B), and*
- (ii) *the worker's age, education, skills and work experience, and*
- (iii) *any plan or document prepared as part of the return to work planning process, including an injury management plan under Chapter 3 of the 1998 Act, and*
- (iv) *any occupational rehabilitation services that are being, or have been, provided to or for the worker, and*
- (v) *such other matters as the WorkCover Guidelines may specify, and*

(b) *regardless of*

- (i) *whether the work or employment is available, and*
- (ii) *whether the work or the employment is of a type or nature that is generally available in the employment market, and*
- (iii) *the nature of the worker's pre-injury employment, and*
- (iv) *the worker's place of residence”*

A work capacity assessment considers all available information which may include, but is not limited to:

- reports from the treating doctor, treating specialist or other allied health professionals
- *WorkCover NSW Certificate of Capacity*

- independent medical reports
- injury management consultant reports
- the worker's self report of their abilities and any other information from the worker
- the injury management plan
- reports from a workplace rehabilitation provider such as workplace assessment reports, return to work plans, functional capacity evaluation reports, vocational assessment report, work trial documents, job seeking logs, activities of daily living assessments, etc
- information from the employer such as documents relating to return to work planning
- information obtained and documented on the insurer's claim file.

4.1 Evaluation appointments

Referrals to a medical practitioner, workplace rehabilitation provider or other relevant party for an evaluation may be needed as part of the assessment if the information on the claim file is incomplete. This information from third party service providers will then form part of the body of evidence considered in the insurer's work capacity assessment.

As provided by section 44A of *the 1987 Act*, the worker must attend and participate in any evaluation required as part of the work capacity assessment.

The worker is to be advised of the details of any evaluation appointment(s) in writing at least 10 working days before the appointment, unless a shorter time is required because of exceptional and unavoidable circumstances and agreed to by the parties. The notice that the worker is required to attend an evaluation should also inform the worker that failure to attend or properly participate in an evaluation appointment may result in suspension of weekly payments until the evaluation has taken place.

If a worker has a reasonable excuse for not attending and participating in an evaluation, the suspension of weekly payments should be delayed pending attendance at a subsequent appointment. Whether or not a worker has a reasonable excuse would need to be determined on a case by case basis - relevant factors could include any previous failure(s) to attend and properly participate in an evaluation appointment.

Where a worker has provided a reasonable excuse for not attending and participating in an evaluation, a notice should be sent to the worker advising of the new evaluation and warning that failure to attend and to properly participate will result in the suspension of weekly payments.

Where it is reported that the worker has not properly participated in the evaluation, suspension should be delayed pending the sending of a notice to the worker requiring attendance at a further assessment and providing a warning that

any further failure to properly participate will result in immediate suspension of weekly payments.

4.2 Timing of a work capacity assessment

A work capacity assessment may be conducted at any stage throughout the life of a claim.

At a minimum, the insurer must commence a review of the worker's capacity for work once the worker has received a cumulative total of 78 weeks of weekly payments.

If a worker has an ongoing entitlement to weekly payments beyond 130 weeks, the insurer must conduct a work capacity assessment at least once every two years after this point, until such time as the worker's entitlement ceases.

4.3 Work capacity assessments and seriously injured workers

Work capacity assessments must not be conducted for a seriously injured worker unless the worker requests it. If a seriously injured worker requests an assessment for example, to assist with return to work planning, the insurer must decide whether or not it is appropriate considering the worker's circumstances.

Section 32A of the 1987 Act defines a **seriously injured worker** as

"a worker whose injury has resulted in permanent impairment and:

- (a) the degree of permanent impairment has been assessed for the purposes of Division 4 to be more than 30%, or*
- (b) the degree of permanent impairment has not been assessed because an approved medical specialist has declined to make an assessment until satisfied that the impairment is permanent and the degree of permanent impairment is fully ascertainable, or*
- (c) the insurer is satisfied that the degree of permanent impairment is likely to be more than 30%."*

5. Work capacity decision

(1987 Act: S.43)

A work capacity decision is a specific type of decision by the insurer which is defined in section 43 of *the 1987 Act*.

Work capacity decisions by insurers are decisions defined in section 43 of *the 1987 Act* as:

- “(a) a decision about a worker’s current work capacity,
- (b) a decision about what constitutes suitable employment for a worker,
- (c) a decision about the amount an injured worker is able to earn in suitable employment,
- (d) a decision about the amount of an injured worker’s pre-injury average weekly earnings or current weekly earnings,
- (e) a decision about whether a worker is, as a result of injury, unable without substantial risk of further injury to engage in employment of a certain kind because of the nature of that employment,
- (f) any other decision of an insurer that affects a worker’s entitlement to weekly payments of compensation, including a decision to suspend, discontinue or reduce the amount of the weekly payments of compensation payable to a worker on the basis of any decision referred to in paragraphs (a)–(e).

The following are not work capacity decisions:

- (a) a decision to dispute liability for weekly payments of compensation,
- (b) a decision that can be the subject of a medical dispute under Part 7 of Chapter 7 of the 1998 Act”

A work capacity decision is a discrete decision that may be made at any point in time and can be about any one of the factors described in section 43(1), such as the worker’s capacity to earn in suitable employment. This is different to a work capacity assessment which is a review process that may or may not lead to the making of a work capacity decision or another type of decision regarding a claim.

Work capacity decisions should be made in line with the *Best Practice Decision-Making Guide*.

5.1. Making a work capacity decision

Work capacity decisions will be made at many points throughout the life of a claim.

The insurer may make a work capacity decision on receipt of new information that relates to the worker’s capacity for employment which may affect the calculation of weekly payments. Such information may include, but is not limited to:

- evidence of the worker’s pre-injury wages or current wages
- *WorkCover NSW Certificate of Capacity*
- a change in the worker’s personal circumstances
- confirmation that the worker has returned to work

- confirmation that the worker has become unable to work at all, or as much as they had been
- a report from a medical practitioner or allied health practitioner
- a workplace rehabilitation report
- an investigation report.

When making a work capacity decision the insurer should follow the *Best Practice Decision-Making Guide* including:

- ensuring that all reasonable opportunities to establish capacity for work have been provided to the worker
- ensuring that the insurer meets their responsibility of establishing and supporting an injury management plan tailored to the worker's injury as set out in Chapter 3 of the 1998 Act
- evaluating all available and relevant evidence
- following a robust and transparent decision-making process with clear, concise and understandable information provided to the worker giving reasons for decisions
- seeking any additional information that is required to ensure the worker's current capacity for work is fully understood
- providing opportunity for the worker to contribute additional information, especially if the decision may result in reduction or discontinuation of the worker's weekly payments
- ensuring decision makers have the appropriate expertise, ability, and support to make the decision they are making.

Any work capacity decision should be logical, rational and reasonable. It should be a decision that is more likely than not to be correct. In many cases the insurer will already have all the information they need to make a work capacity decision without the need to refer the worker for additional evaluations by third party service providers.

Example: The worker is recovering from recent surgery. The *WorkCover NSW Certificate of Capacity* and report from the treating specialist indicates the worker has no current work capacity. A work capacity decision can be made based on this information probably without the need for any further evidence.

Example: The worker has returned to work in their full pre-injury role. It is confirmed that the worker is in receipt of their pre-injury average weekly earnings. A work capacity decision can be made based on this information probably without the need for any further evidence.

Example: The worker has returned to suitable employment, working reduced hours. Information has been received from the worker's physiotherapist and nominated treating doctor indicating that the worker has capacity for full pre-injury hours. The insurer can make a work capacity decision about the amount the

worker is able to earn in this suitable employment, working full hours, probably without the need for any further evidence.

Where an employer terminates the worker's employment because of the injury or removes the suitable employment for the worker, the factor 'E' for the purpose of calculating weekly entitlements is to be \$0 while a work capacity assessment of alternative suitable employment options is undertaken and until a work capacity decision occurs that demonstrates the suitable employment that the worker is suited to in the open labour market.

5.2. Fair notice provisions

Before making a work capacity decision the insurer must, at least two weeks prior to the work capacity decision, communicate this to the worker in a way that is appropriate in the circumstances of the case, and preferably by telephone or in person. This must be done to:

- inform the worker that a review of their current work capacity is being undertaken and that a work capacity decision is going to be made
- explain that this review may include further discussions with other parties such as their employer, nominated treating doctor or other treatment providers
- advise the potential outcome of this review and detail the information that has led the insurer to their current position
- provide an opportunity for the worker to supply any further information to the insurer for further consideration and the date that this information is to be provided by
- tell the worker when this decision is expected to be made.

This information should also then be confirmed in writing to the worker. The written confirmation should be sent by post or served personally. If the worker has provided information to facilitate electronic communication, the information may also be sent to the worker by electronic means in addition to sending the information by post.

This requirement does not apply to a reduction or discontinuation in weekly payments that is due to the application of different rates as defined in the legislation (section 36, section 37, and section 38 of *the 1987 Act*) or changes as a result of the indexation of benefits.

5.3. Notification of a work capacity decision

Upon making a work capacity decision that will result in a reduction or discontinuation of the worker's weekly payments the insurer will, where possible, communicate this to the worker by telephone or in person, to:

- inform the worker that a work capacity decision has been made
- explain the outcome and consequences of this decision and the information that has led the insurer to their current position
- explain the internal review process and that a review application will be sent with a formal notice
- confirm that the decision will be conveyed in writing.

The insurer must then notify the worker in writing of the work capacity decision. As required by section 54 of the *1987 Act*, where the work capacity decision reduces or discontinues weekly payments, correspondence advising the required period of notice must be sent by post or served personally. If the worker has provided information to facilitate electronic communication, the information may also be sent to the worker by electronic means in addition to sending the information by post. Section 5.4.2 of these Guidelines sets out the requirements for this notice.

The insurer must provide 3 months notice before reducing or discontinuing the worker's weekly payments.

Example: The worker returns to work full time and is receiving their pre-injury average weekly earnings. The insurer confirms this with the worker and the employer. The insurer makes a work capacity decision that the worker's weekly payments are to be discontinued.

- The insurer should notify the worker their weekly payments will cease as there is no loss of income however a **work capacity decision notice** is not required. No notice period applies.

Example: The worker is currently receiving weekly benefits and the *WorkCover NSW Certificate of Capacity* deems they have no current work capacity. The insurer undertakes a work capacity assessment and the insurer then makes a work capacity decision that the worker has current work capacity. This decision will result in a reduction or discontinuation of the worker's weekly payments.

- Formal notification of this work capacity decision is required. The insurer must provide a 3 month notice period before reducing or discontinuing benefits
- This notification must be made in accordance with **5.4.2 Requirements of a work capacity decision notice** of this guideline.

Example: The worker has now received a cumulative total of 13 weeks of weekly payments. The worker has no capacity for work. The insurer decides that the

amount of weekly payments the worker is entitled to receive is to be reduced due to the application of a different rate of payment (that is, the weekly payments are now calculated under section 37 of *the 1987 Act*, rather than section 36).

- The insurer should notify the worker of the change in their rate of payment and how it was calculated however a **work capacity decision notice** is not required. No notice period applies.

A reduction or discontinuation in weekly payments due to information supplied by the worker does not require formal notification by the insurer.

5.3.1. Standards for notifying of a work capacity decision

The insurer must provide the worker and other relevant parties with plain language communication regarding the work capacity decision.

Plain language communication requires:

- being considerate of the nature of the worker's circumstances
- communicating respectfully
- communicating a clear message
- presenting concise information
- adapting communication style to meet the worker's needs.

Insurers must make reasonable efforts to communicate work capacity decisions that affect the amount of weekly payments a worker is entitled to receive, in an appropriate way, preferably by telephone or in person as well as in writing. If needed, an accredited interpreter should be engaged to assist in giving effective communication.

Other forms of communication such as face-to-face meetings, facsimile and emails may also form part of the communication of the work capacity decision as appropriate.

In some cases, it may be appropriate to communicate a work capacity decision in the presence of the nominated treating doctor or other relevant health care professional. For example, when communicating a decision to reduce or discontinue weekly payments for a worker with a psychological injury.

Effective communication will help to minimise the risk of disputes.

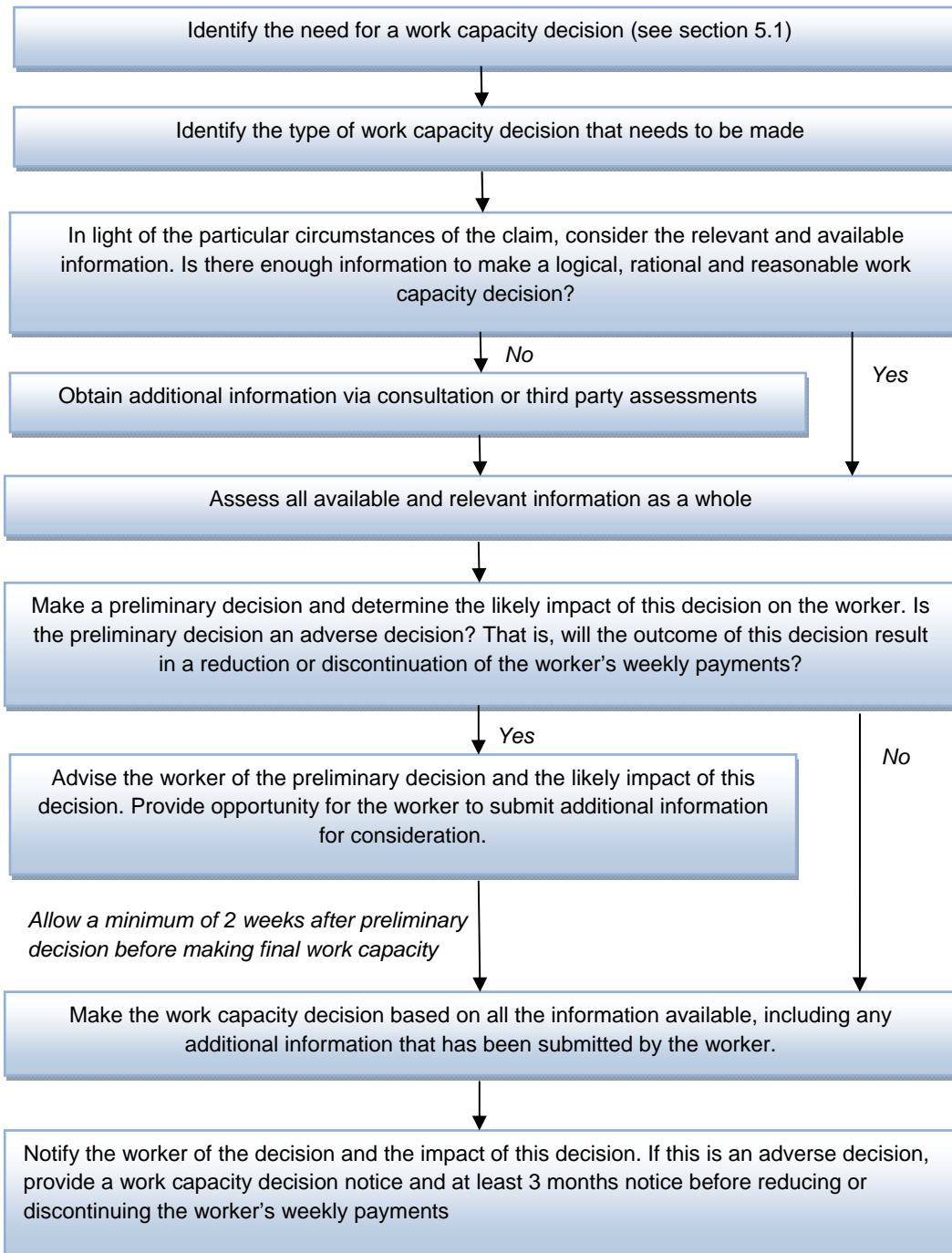
5.3.2. Requirements of a work capacity decision notice

The **work capacity decision notice** must:

- reference the relevant legislation
- explain the relevant entitlement periods
- state the decision and give brief reasons for making the decision

- outline the evidence considered in making the decision, noting the author, the date and any key information. All evidence considered should be referred to, regardless of whether or not it supports the decision.
- clearly explain the line of reasoning for the decision
- state the impact of the decision on the worker in terms of their entitlement to weekly payments, entitlement to medical and related treatment expenses and return to work obligations
- advise the date when the decision will take effect
- detail any support, such as job seeking support, which will continue to be provided during the notice period
- advise that any documents or information that have not already been provided to the worker can be provided to the worker on request to the insurer
- advise of the process available for requesting review of the decision and how to access the required form, *Work capacity - application for internal review by insurer* (catalogue no. WC03304)

5.4. Flow chart - making a soundly based work capacity decision



6. Delivery of documents

Delivery to an address for service is taken to have been received at the following times:

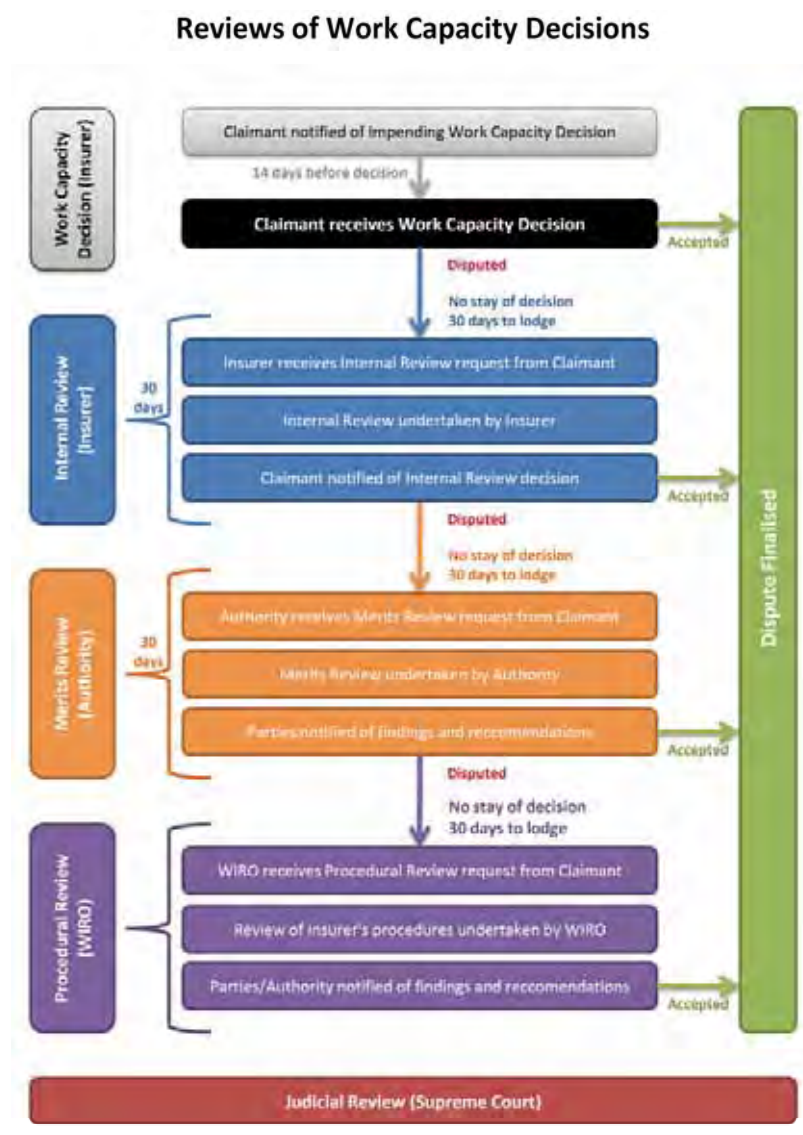
- in the case of a physical address, on the day the document is left at that address;
- in the case of a postal address, on a day 7 days after the document is posted;
- in the case of an email address, on the day the email or email attachment is sent if sent before 5:00pm, or on the day after the email or email attachment is sent if sent at or after 5:00pm; or
- in the case of a facsimile number, on the day the facsimile is sent if sent before 5:00pm, or on the day after the facsimile is sent if sent at or after 5:00pm.

7. Reviews of work capacity decisions

(1987 Act: S.44)

A worker may refer a work capacity decision by an insurer for an internal review by the insurer, and afterwards for a merits review of the decision by the WorkCover Authority and afterwards for a review of the insurer's procedures to the WorkCover Independent Review Officer.

7.1. Flow chart – reviews of work capacity decisions



7.2. Internal review by insurers of work capacity decisions

(1987 Act: S.44)

(*Review Guidelines*: Division 2, Chapters 5, 6 & 7)

The ability for a worker to seek an internal review of a work capacity decision by an insurer is provided for in section 44 of *the 1987 Act*, and the rules and requirements applying to such reviews are further detailed in the *Review Guidelines*, which are delegated legislation.

7.2.1. Application by a worker to an insurer for an internal review of a work capacity decision

(1987 Act: S.44(2))

(*Review Guidelines*: 6.1 to 6.4)

A worker may refer a work capacity decision for an internal review by the insurer. The insurer should have given the worker the application form with the work capacity decision notice.

The worker may be assisted in completing the application form by another person such as the insurer, a support person, agent, union representative, employer, legal representative or interpreter. In accordance with section 44(6) of *the 1987 Act*, a legal practitioner is not entitled to be paid for costs incurred in connection with a review of a work capacity decision.

Workers may obtain information on work capacity decision and review processes from the WorkCover Customer Service Centre on 13 10 50.

7.2.2. Timely lodgement

(1987 Act: S.44(1)(a))

(*Review Guidelines*: 6.5, 6.6)

If a worker wishes to refer a work capacity decision for an internal review, they should lodge a completed *Work capacity - application for internal review by insurer* form with the insurer as soon as practicable after receiving the work capacity decision from the insurer. A work capacity decision is not stayed by any review process relating to that decision.

The *Work capacity - application for internal review by insurer* form is attached to this document at section 8.2. The application must be in the approved form, specify the grounds on which the review is being sought and any additional information to be considered. (For example, the worker is able to supply further

medical information or the worker believes that the suitable employment identified places them at substantial risk of further injury.)

7.2.3. Multiple work capacity decisions or claims

(Review Guidelines: 6.10, 6.11)

In one *Application*, a worker may refer for internal review more than one work capacity decision about one or more of the worker's related claims managed by the same insurer, as long as the 30 day lodgement time limit is met for each decision.

The insurer will determine whether or not those internal reviews are most appropriately conducted together or separately as is appropriate in the circumstances of each particular case.

7.2.4. Acknowledgement of application

(Review Guidelines: 7.1)

The insurer must acknowledge the referral in writing to the worker within 7 days of receiving the application and:

- explain the review process
- advise that a review of a work capacity decision does not operate to stay the decision or otherwise prevent the taking of action based on the decision
- clarify with the worker any new information supplied or any other information that the worker is in the process of obtaining
- indicate when and how the decision will be conveyed to the worker.

7.2.5. Non-review of applications

(Review Guidelines: 6.7, 6.8)

An insurer may decline to review a decision at any stage of the internal review process if an application is not in the approved form or fails to contain sufficient information.

If an insurer declines to conduct an internal review for any reason or fails to conduct the review within 30 days of receiving the application (the prescribed period), the decision by the insurer to decline the application or its failure to conduct the review within the prescribed period exhausts the internal review process by the insurer, and the worker may then apply for Merit Review by WorkCover.

Where an insurer declines to conduct an internal review for any reason or fails to conduct the review within the prescribed period, the insurer must give notice in writing to the worker of the reasons for that action. The notice must include a statement advising the worker that he or she may apply to the Authority for review

of the insurer's actions. The notice must also include the necessary contact details to enable the worker to apply to the Authority for merit review and must state the time limits applying to merit review applications to the Authority.

Any application by a worker for review of an insurer's decision to decline (or the insurer's failure to conduct) an internal review application must be made within 30 days of the date of the notice given by the insurer to the worker, or where no notice has been given, within 30 days of the date that the insurer's internal review decision was due.

7.2.6. Internal reviewer and decision

(Review Guidelines: 7.2 to 7.5)

The internal reviewer is to undertake the review of the work capacity decision in accordance with the insurer's complaints and disputes handling model including at a minimum:

- the review of the work capacity decision is to be undertaken by a party independent to the original work capacity decision
- the review of the work capacity decision is to be conducted by someone with a comprehensive knowledge of the legislation as it applies to the work capacity decision referred and the issues arising from it, and has the appropriate expertise and authority for the decision they are making
- the reviewer is to undertake a full consideration of the subject of the work capacity decision considering all available information and making a fresh work capacity decision
- the reviewer has an obligation to make a decision they think is more likely than not to be correct.

7.2.7. Notification of the internal review decision

(1987 Act: S.44(1)(a))

(Review Guidelines: 7.6, 7.7,)

The insurer must write to the worker within 30 days of receiving the application advising of the outcome of the internal review and if the insurer fails to do so the worker may then make an application for merit review by the Authority.

The notification must be in writing and must include the decision, its impacts and reasons. The notification must also advise the worker about the availability of further review options.

7.2.8. Outcomes of internal review

An internal review of a work capacity decision will result in a new decision being made. The new decision may be the same as the original decision or it may be different.

If the review decision is the same, it could be based on the same reasons applied to the same information as the original decision maker's decision, or it may be the same despite being made based on different reasons or new information.

If the review decision is different, it could be based on different reasons applied to the same information as the original decision maker had, or it may be based on different reasons or based on new information the original decision maker did not have.

7.3. Merit review by the Authority

(1987 Act: S.44)

(*Review Guidelines*: Division 3, Chapters 8, 9 & 10)

If the worker is not satisfied with the outcome of the insurer's internal review of a work capacity decision, or if an internal review by the insurer is not completed within 30 days, the worker may lodge an application for a further review by the WorkCover Authority.

7.3.1. Applications by a worker to the Authority for merit review

(1987 Act: S.44(1)(b), S.44(2), S.44(3)(a) and (b))

(*Review Guidelines*: 9.1 to 9.22)

A worker may be assisted in completing the application form by another person such as the insurer, a support person, agent, union representative, employer, legal representative or interpreter.

The application by the worker must be made within 30 days of either receiving the insurer's internal review decision or the date when the insurer's internal review decision was due.

In one *Application*, a worker may refer for internal review more than one work capacity decision about one or more of the worker's related claims managed by the same insurer, as long as the 30 day lodgement time limit is met for each decision.

The worker must send the insurer a copy of the application before, or at the same time, as lodging the application with the Authority.

The worker does not need to attach to their application all of the existing documents and information relating to the claim or the work capacity decision, as the insurer will be required to provide all relevant information to the Authority as part of their Reply to the application.

The Authority will write to the worker and insurer within 7 days of receiving the application from the worker to acknowledge receipt of the application.

7.3.2. Reply by insurer to a merit review application

(Review Guidelines: 9.23 to 9.26)

On receiving the worker's application, the insurer is to exchange and lodge a Reply to an Application in the approved form (attached at section 8.3) as quickly as possible and preferably within 7 days of receiving the application.

The insurer must send the Reply to the worker before, or at the same time, as lodging the reply with the Authority.

The Reply **lodged with the Authority** must be submitted electronically via email and must include;

- a list of all documents relevant to the work capacity decision and the Review of that decision, including documents supplied by the worker;
- attach electronic copies of all of the documents included in the list of relevant documents, including documents supplied by the worker.

The Reply **sent to the worker** must include;

- the list of all relevant documents, but;
- does not need to attach copies of **all** the relevant documents being lodged with the reply, as the insurer should only attach any documents which have **not already been provided** to the worker previously.

Any surveillance images lodged with the Authority are to be provided in DVD format and must first be provided to the worker with any investigator's report. If surveillance images are provided to a worker for the first time in support of a Reply, the worker will be offered an opportunity to respond to the surveillance images.

The Authority will write to the worker and insurer as soon as practicable and preferably within 7 days of receiving the Reply from the insurer.

7.3.3. Merit review decision by the Authority

(1987 Act: S.44(3)(c), (d), (e) and (g))

(Review Guidelines: Chapter 10)

The Authority's merit reviewer may require additional information from the worker or the insurer for the purposes of the review, which the worker and insurer must provide.

The merit reviewer will consider all of the material substantively and on its merits as if the original work capacity decision had not been made, and is obliged to make the decision that they think is more likely than not to be correct.

The merit reviewer may also make recommendations to the insurer based on their findings, which are binding on the insurer and must be given effect to by the insurer.

The Authority must write to the worker and insurer within 30 days of receiving the application advising of the outcome of the merit review and must include the decision, its impacts, any recommendations and reasons. The notification must also advise the worker about the availability of further review options.

7.4. Procedural review by WorkCover Independent Review Officer

(1987 Act: s.44(1)(c), s.44(2), s.44(3)(a), (c), (d), (f) and (h))

If the WorkCover review does not resolve the issue, the worker may lodge an application for review with the WorkCover Independent Review Officer (WIRO) within 30 days of receiving the WorkCover review decision.

The WIRO review is a review only of the insurer's procedures in making the work capacity decision, not of any judgment or discretion exercised by the insurer in making the decision. Recommendations made by the WIRO are binding on the insurer and the Authority.

8. Approved forms

Attached to this document are the following notices and forms approved by the Authority

8.1. WorkCover NSW Certificate of Capacity (catalogue no. WC01300)

This is the 'form approved by the Authority' referred to in section 44B(3)(a) of *the 1987 Act* for the certificate of capacity to be given by a medical practitioner.

This certificate includes within it the declaration by a worker which is the 'form approved by the Authority' referred to in section 44B(1)(b) of *the 1987 Act*.

8.2. Work capacity - application for internal review by insurer (catalogue no. WC03304)

This is the 'form approved by the Authority' referred to in section 44(2) of *the 1987 Act* for applications by a worker under section 44(1)(a) to an insurer for internal review of a work capacity decision by the insurer.

8.3. Work capacity - application for merit review by the Authority (catalogue no. WC03305)

This is the 'form approved by the Authority' referred to in section 44(2) of *the 1987 Act* for applications by a worker under section 44(1)(b) to the Authority for a merit review of a work capacity decision by an insurer.

This is also the 'form approved by the Authority' referred to in section 44(2) of *the 1987 Act* for the worker to notify the insurer of an application by a worker under section 44(1)(b) to the Authority for a merit review of a work capacity decision by an insurer.

8.4. Work capacity - reply to an application for merit review by the Authority (catalogue no. WC03306)

This is a form approved by the Authority for an insurer to lodge a reply to an application by a worker under section 44(1)(b) to the Authority for a merit review of a work capacity decision by the insurer.

9. Glossary

current work capacity, in relation to a worker, is defined in section 32A of the 1987 Act:

“means a present inability arising from an injury such that the worker is not able to return to his or her pre-injury employment but is able to return to work in suitable employment”

days

a reference to a number of days means the number of calendar days unless otherwise stated

injury management is defined in section 42 of the 1998 Act:

“means the process that comprises activities and procedures that are undertaken or established for the purpose of achieving a timely, safe and durable return to work for workers following workplace injuries.”

injury management plan is defined in section 42 of the 1998 Act:

“means a plan for co-ordinating and managing those aspects of injury management that concern the treatment, rehabilitation and retraining of an injured worker, for the purpose of achieving a timely, safe and durable return to work for the worker. An injury management plan can provide for the treatment, rehabilitation and retraining to be given or provided to the injured worker.”

injury management program is defined in section 42 of the 1998 Act:

“means a co-ordinated and managed program that integrates all aspects of injury management (including treatment, rehabilitation, retraining, claims management and employment management practices) for the purpose of achieving optimum results in terms of a timely, safe and durable return to work for injured workers.”

insurer is defined in section 42 of the 1998 Act:

“means a licensed insurer, specialised insurer or self-insurer.”

medical practitioner

means a person registered under the Health Practitioner Regulation National Law (NSW) No. 86a in the medical profession who is not a Specialist Surgeon.

month

“means a period commencing at the beginning of a day of one of the 12 named months and ending:

(a) immediately before the beginning of the corresponding day of the next named month, or

(b) if there is no such corresponding day, at the end of the next named month.”

no current work capacity, in relation to a worker, is defined in section 32A of the 1987 Act:

“means a present inability arising from an injury such that the worker is not able to return to work, either in the worker’s pre-injury employment or in suitable employment.”

nominated treating doctor is defined in section 42 of the 1998 Act:

“means the treating doctor nominated from time to time by a worker for the purposes of an injury management plan for the worker.”

seriously injured worker is defined in section 32A of the 1987 Act:

“ means a worker whose injury has resulted in permanent impairment:

- (a) the degree of permanent impairment has been assessed for the purpose of Division 4 to be more than 30%, or*
- (b) the degree of permanent impairment has not been assessed because an approved medical specialist has declined to make an assessment until satisfied that the impairment is permanent and the degree of permanent impairment is fully ascertainable, or*
- (c) the insurer is satisfied that the degree of permanent impairment is likely to be more than 30%.”*

suitable employment, in relation to a worker, is defined in section 32A of the 1987 Act:

“means employment in work for which the worker is currently suited:

- (a) *having regard to:*
 - (i) *the nature of the worker’s incapacity and the details provided in the medical information including, but not limited to, any certificate of capacity supplied by the worker (under section 44B), and*
 - (ii) *the worker’s age, education, skills and work experience, and*
 - (iii) *any plan or document prepared as part of the return to work planning process, including an injury management plan under Chapter 3 of the 1998 Act, and*
 - (iv) *any occupational rehabilitation services that are being, or have been, provided to or for the worker, and*
 - (v) *such other matters as the WorkCover Guidelines may specify, and*
- (b) *regardless of*
 - (vi) *whether the work or employment is available, and*
 - (vii) *whether the work or the employment is of a type or nature that is generally available in the employment market, and*
 - (viii) *the nature of the worker’s pre-injury employment, and*
 - (ix) *the worker’s place of residence.”*

treating specialist

is defined in Schedule 4 of the *Health Insurance Regulations 1975*:

“specialist medical practitioner is a medical practitioner recognised as a specialist by the Australian Medical Council and remunerated in accordance with Health Insurance Commission Health Insurance Regulations 1975, Schedule 4, Part 1 at specialist rates under Medicare. “

work capacity assessment

is an insurer’s assessment of an injured worker’s current work capacity, conducted in accordance with section 44A of the 1987 Act

work capacity decision

is a specific type of decision that is made by the insurer defined in section 43 of the 1987 Act.

SAVE AS

PRINT



WorkCover

WorkCover NSW – certificate of capacity

Please ensure all sections are completed. Tick if this is the initial certificate for this claim

PART A – MAY BE COMPLETED BY PATIENT

Patient's first name		Last name	
<input type="text"/>		<input type="text"/>	
Date of birth (DD/MM/YYYY)		Telephone number	
<input type="text"/>		<input type="text"/>	
Patient's address			
<input type="text"/>			
Claim number			
<input type="text"/>			
Medicare number			
<input type="text"/>			
Shaded areas to be completed for initial certificate only			
Patient's occupation/job title			
<input type="text"/>			
Employer's name and contact details			
<input type="text"/>			
I consent to my treating medical practitioner, my employer, the insurer, other treating practitioners, workplace rehabilitation providers and WorkCover exchanging information for the purposes of managing my injury and workers compensation claim. I understand that this information will be used by WorkCover and insurers to fulfil their functions under the workers compensation legislation.			
Signature of patient		Date (DD/MM/YYYY)	
<input type="text"/>		<input type="text"/>	

PART B – TO BE COMPLETED BY NOMINATED TREATING DOCTOR OR TREATING SPECIALIST MEDICAL PRACTITIONER

MEDICAL CERTIFICATION

Diagnosis of work related injury/disease	
<input type="text"/>	
Patient stated date of injury <input type="text"/>	
Shaded areas to be completed for initial certificate only	
Patient was first seen at this practice/hospital for this injury/disease on <input type="text"/>	
Injury/disease is consistent with patient's description of cause <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Uncertain	
How is the injury/disease related to work?	
<input type="text"/>	
Detail any pre-existing factors which may be relevant to this condition	
<input type="text"/>	

WorkCover NSW – certificate of capacity

Claimant name Claim number

MANAGEMENT PLAN FOR THIS PERIOD

Treatment/medication type and duration (Duration: short term = < 6 weeks, medium term = 6–12 weeks, long term = > 12 weeks)

Referral to another health care provider (provide details of provider and service requested, duration and frequency when relevant)

CAPACITY FOR EMPLOYMENT (Please consider the health benefits of work when completing this section)

Do you require a copy of the position description/work duties? Yes No

Patient:

is fit for pre-injury duties

has capacity for some type of employment from / / to / /

for hours/day days/week

has no current work capacity for any employment from / / to / /

If no current work capacity, estimated time to return to any type of employment

Factors delaying recovery

Do you recommend referral to workplace rehabilitation provider? Yes No

Capacity – If the patient is fit for pre-injury duties this section does not need to be completed. For all other patients please consider activities of daily living currently being performed.

Lifting/carrying capacity

Sitting tolerance

Standing tolerance

Pushing/pulling ability

Bending/twisting/squatting ability

Driving ability

Other (please specify) eg psychological considerations, keep wound clean and dry

Next review date / / (if greater than 28 days, please provide clinical reasoning)

Comments

TREATING MEDICAL PRACTITIONER DETAILS

Please tick if you agree to be the nominated treating doctor for the ongoing management of this worker's injury and return to work. I certify that I am the nominated treating doctor or treating specialist or other* and I have examined this patient. The information and medical opinions contained in this certificate are, to the best of my knowledge, true and correct.

Signature

Date (DD/MM/YYYY) / /

*If 'other', please specify

Name (practice stamp if available)

Address

Telephone number

Fax number

Provider number

WorkCover NSW – certificate of capacity

PART C – TO BE COMPLETED BY THE WORKER PRIOR TO SENDING TO THE EMPLOYER OR INSURER (this does not involve the nominated treating doctor/treating specialist)

WORKER DECLARATION

Worker's first name

Last name

Date of birth (DD/MM/YYYY)

/
 /

Worker's address

Claim number

I have have not (tick appropriate box)

engaged in any form of paid employment, self employment or voluntary work for which I have received or am entitled to receive payment in money or otherwise since the last certificate was provided, that I have not yet declared to the insurer.

If you have been engaged in any form of paid employment or voluntary work, please provide details below (or attach when you forward this certificate to your employer or insurer).

I declare that the details I have given on this declaration are true and correct, knowing that false declarations are punishable by law.

Signature of worker

Date (DD/MM/YYYY)

/
 /

WorkCover NSW – certificate of capacity

Recover better at work

Evidence shows you recover from an injury better at work than at home.

Long-term absence from work can lead to isolation and poorer health.

The longer you are off work, the less chance you have of ever returning to work.

Staying at work, or returning to work as soon as safely possible, is good for your health and wellbeing – whether it's on reduced hours in your normal job, or on modified or alternative duties.

You can recover better by following three simple principles.

1. Stay active

Talk to your doctor and case manager about what activities you can undertake.

2. Stay in touch

If you are off work, stay in regular contact with your employer and workmates.

3. Stay focused

Set goals for your recovery and return to work, and take action to achieve them.

For more advice on recovering better at work, contact your case manager or call WorkCover on 13 10 50.



Work capacity – application for internal review by insurer

This is the 'form approved by the Authority', referred to in section 44(2) of the *Workers Compensation Act 1987* (WC Act), for applications by a worker under s.44(1)(a) to an insurer for internal review of a work capacity decision by the insurer.

What is this form for?

Complete this form if you want the insurer managing your workers compensation claim to review a work capacity decision they have made.

Attach any supporting information that the insurer does not have. You can include more than one work capacity decision on the form. Frivolous and vexatious applications may be rejected.

Important facts about Privacy

By completing and submitting this form, you are consenting to the collection of any personal and health information contained in the form and in any supporting documents by the insurer for the purpose of dealing with your application and to the disclosure of this information to the insurer's officers and advisers and to WorkCover's officers and advisers for the purposes of dealing with any further application you may make for further review of the insurer's work capacity decision.

Where do I send the form?

Send this form to the insurer within 30 days of receiving your work capacity decision notice. The decision will remain in force while the review is being undertaken.

What happens next?

The insurer will contact you within seven days of receiving this form, to inform you of the internal review procedures.

The review will be conducted by someone who was not involved in your original work capacity decision.

On completion of the review, you will receive a written response from the insurer with their decision and reasons.

Is an interpreter available?

Call 13 14 50 to arrange a free interpreting service.

Further information

The full set of rules and requirements of an internal review are outlined in section 44 of the WC Act, titled 'Review of work capacity decisions', and in division 2 of the 'Review guidelines', titled 'Internal reviews by insurers'.

These are available at workcover.nsw.gov.au or by calling WorkCover NSW on 13 10 50.

1. WORKER'S DETAILS

Worker's name (first name then surname)

Claim number

Date of birth (DD/MM/YYYY)

Workers contact number

Work capacity – application for internal review by insurer

4. WHY SHOULD THE WORK CAPACITY DECISION(S) BE CHANGED?

(Explain your reasons for opposing the work capacity decision(s). You can refer to and attach new information. Use more than one page if needed.)

Lined area for providing reasons for opposing the work capacity decision(s).

5. SIGN HERE

Signature

Signature box

Date (DD/MM/YYYY)

Date input boxes: □□ / □□ / □□□□



Work capacity – application for merit review by the authority

This is the 'form approved by the Authority', referred to in section 44(2) of the *Workers Compensation Act 1987* (WC Act), for applications by a worker under s.44(1)(b) to the Authority for a merit review of a work capacity decision by an insurer.

What is this form for?

Complete this form if you wish to seek a merit review by WorkCover NSW of the insurer's work capacity decision regarding your claim for workers compensation, and:

- you have already applied for an internal review by the insurer of the work capacity decision
- you have received the internal review decision from the insurer, or
- you have not received a response from the insurer within 30 days.

Attach any supporting information that the insurer does not have. You can include more than one work capacity decision on this form. Frivolous and vexatious applications may be rejected.

Where do I send the form?

Send a copy of this form to the insurer managing your workers compensation claim, and a copy to WorkCover at:

Merit Review Service, WorkCover Authority of NSW
Post: Level 19, 1 Oxford Street, Darlinghurst, NSW 2010
Email: wcdmeritreviewservice@workcover.nsw.gov.au

The work capacity decision will remain in force while WorkCover undertakes its review.

What happens next?

WorkCover will contact you and the insurer within seven days of receiving this form, to inform both parties of the procedures for the review.

The insurer will send you and WorkCover their reply, listing and attaching all relevant information relating to the work capacity decision, including all relevant information you have supplied, within seven days of them receiving this form from you.

On completion of their review, WorkCover will send both parties a written response with their decision and reasons.

Is an interpreter available?

Call 13 14 50 to arrange a free interpreting service.

Further information

The full set of rules and requirements regarding reviews of work capacity decisions by WorkCover are outlined in:

- Section 44 of the WC Act, titled 'Review of work capacity decisions'
- Division 3 of the 'Review guidelines', titled 'Merit review by the authority', in particular, clauses 9.19 to 9.24 under the heading 'Exchange and lodgement of reply by insurer'.

Insurers acting on behalf of WorkCover are required to abide by 'model litigant' procedures, as outlined on workcover.nsw.gov.au.

Important facts about Privacy

By completing and submitting this form, you are consenting to the collection by WorkCover of any personal and health information contained in the form and in any supporting documents. The information collected is for the purposes of dealing with your application. WorkCover's officers and advisors will have access to the information in the course of dealing with your application.

The information may also be used for associated administrative purposes including the monitoring and review of the workers compensation scheme and disclosure to the WorkCover Independent Review Officer when exercising functions under the workers compensation legislation.



Work capacity – reply to an application for merit review by the authority

This is a form approved by the Authority for an insurer to lodge a reply to an application by a worker under s.44(1)(b) to the Authority for a merit review of a work capacity decision by the insurer.

What is this form for?

This form must be completed by the insurer when a worker makes an application to WorkCover for a review of an Insurers work capacity decision.

The Insurer will complete this form as fully, completely and accurately as they can and must send the worker a copy, before or at the same time as the insurer lodges it electronically with the Authority.

This form completed by the Insurer must list and attach all of the relevant information relating to the work capacity decision, including all relevant information the worker may have supplied.

Where does the insurer send the form?

When completed, the insurer will send a copy of this form to the worker and a copy electronically to WorkCover within seven days of receiving the worker’s application.

What happens next?

WorkCover will contact the insurer and the worker within seven days of receiving this form, to inform both parties about the review procedures.

On completion of the review, WorkCover will provide both parties with a written response with their decision and reasons.

Further information

The full set of rules and requirements regarding reviews of work capacity decisions by WorkCover are outlined in:

- Section 44 of the *Workers Compensation Act 1987* (WC Act), titled ‘Review of work capacity decisions’
- Division 3 of the ‘Review guidelines’, titled ‘Merit review by the authority’, in particular, clauses 9.19 to 9.24 under the heading ‘Exchange and lodgement of reply by insurer’.

Insurers acting on behalf of WorkCover are required to abide by ‘model litigant’ procedures, as outlined on workcover.nsw.gov.au.

1. WORKER AND CLAIM DETAILS

Worker’s name (first name then surname)

Claim number

Worker’s date of birth (DD/MM/YYYY)

Insurer

Insurer contact

Insurer email

Work capacity – reply to an application for merit review by the authority

2. WHICH WORK CAPACITY DECISION(S) ARE BEING REVIEWED BY THE AUTHORITY?

Work capacity decision date	Work capacity decision type (select the s.43(1) decision type for each decision)	Internal review lodged date	Internal review decision date
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /
/ /	Choose from the following	/ /	/ /

3. RESPONSE TO THE WORKER'S APPLICATION (Now that you have received the worker s application, outline your response to the request that the decision(s) should be changed, as clearly as you can. Tell us what you want. Outline your reasons for any opposing view, and what you base it on. You can refer to and attach new information.)

Blank lined area for response to the worker's application.

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