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Productivity Commission

Disability Care and Support Inquiry

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Submission by

Reed Group Asia Pacific
Australia Distributor of Medical Disability Guidelines

www.reedgroup.com
www.mdguidelines.com

MDGuidelines

MDGuidelines is an evidence based return to work guide. It contains medical decision support information for Claims Managers. Most significantly, for the purpose of this submission, it contains a database of evidence based disability durations.

MDGuidelines is used by 25,000 clients in 38 countries. In Australia it is used by all Workers Compensation Insurers / Agents, including Comcare. Most Australian Life Insurers, and many Rehabilitation Providers and Self Insurers also use MDGuidelines.

Basic Premise

- In order to adequately fund long-term disabilities for those people who cannot work, it is necessary to firstly identify them.

- FaHCSIA informs Reed Group Asia Pacific that it's difficult to differentiate between those people who can be returned to the workplace, and those people with a longer term disability entitlement.

- The database contained within MDGuidelines can assist Government to make the critical distinction between those people who can work and those who cannot.

- It does this by providing the length of time a person who submits a medical certificate containing a diagnosis would ordinarily be expected to take to recover from that diagnosis.

- This capability can be used to counteract the tendency of beneficiaries to migrate from unemployment benefit to a disability support benefit. It is argued that this migration must be addressed in order to fund long-term disability. In many instances it is not in the health interests of short term beneficiaries to migrate to long term disability.

- It is important to both those people suffering from Short-term disability and those suffering Long-term disability, that those people who can return to work, do so. The reasons for this are two fold:

a. Most authorities now agree that the workplace provides the best environment for recovering from both physical and mental illness. The knowledge that a health condition takes a finite time to recover and is best achieved by remaining at work or seeking employment, facilitates the well being of those people suffering from short-term disability.

b. Disability support beneficiaries who cannot work are more adequately funded by those who can return to work being supported to do so.

- Reed Group's MDGuidelines contains two databases:

a. Physiological recovery times determined by a board of specialist physicians

b. Actual absences from work, i.e. how long people with a disability actually took to go back to work

c. The delta between these two databases represents the Psycho-social component of the diagnosis.

Specific Proposal 1

- Use doctor's medical certificates to identify those beneficiaries who can be returned to the workplace. To do this requires an accurate diagnosis and an accurate duration.

- MDGuidelines assists doctors and Government officers to generate an accurate diagnosis and an accurate duration.

- The generation of an accurate, evidence based disability duration inhibits short-term disability from migrating to a long-term disability and facilitates return to work.

- Use MDGuidelines to inform all stakeholders when a beneficiary would ordinarily be expected to return to work.

- Provide doctors with decision support tools to enable them to understand and institute the paradigm of work assisted recovery.

- The accurate diagnosis and duration generated by MDGuidelines enables Government to collect accurate disability duration data. This cannot be done using the current medical certification process which contains neither an accurate diagnosis nor an accurate evidence based duration.

Specific Proposal 2

- The Government officer responsible for processing medical certificates from medical practitioners uses MDGuidelines to verify the appropriateness of the period of certification.

- It is widely accepted that the inexact and inappropriate certification of disability extends recovery times and is responsible for significant costs.

- The inappropriate extension of normal recovery times results in many beneficiaries never returning to work and instead migrating to long term disability support benefits.

- These costs could better be directed towards long-term disability.

- The time to arrest this migration is at the outset, when there is an opportunity to prevent short term disability being inappropriately extended by inexact medical certificates.

- Doctors certifying disability are contacted by the responsible officer in the event of the medical certificate failing to comply with best medical practice and assisted in issuing or updating the medical certificate.

- Stakeholders are informed of the normal course of recovery for this diagnosis and the benefits of a return to work program.

- Stakeholders are informed of the negative consequences of unemployment benefit migrating to disability support benefit when the beneficiary is actually capable of working.

Thank you for the opportunity of making this submission.

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