28 May 2003

Workers Compensation and OHS Productivity Commission PO Box 80 BELCONNEN ACT 2616

Dear Sir/Madam,

Attached is a submission by OT AUSTRALIA Victoria to the Productivity Commission Inquiry into National Worker's Compensation and Occupational Health & Safety Frameworks.

Please do not hesitate to contact me if further clarification would be helpful. Association representatives are also interested in participating in public hearings if there is an opportunity to do so and have sent the Public Hearing Registration Form. I can be contacted on (03) 9481 6866 or via email: <a href="mailto:exec@otausvic.com.au">exec@otausvic.com.au</a>.

Yours sincerely

Louise Johnson Executive Director The urgent need for a national framework for the consistent delivery of compensation and occupational health and safety across all jurisdictions

Submission by OT AUSTRALIA Victoria to the Productivity Commission Inquiry into National Workers' Compensation and Occupational Health & Safety Frameworks.

OT AUSTRALIA Victoria

Australian Association of Occupational Therapists
Victoria Inc

Introduction

This submission is made by OT AUSTRALIA Victoria (Australian Association of Occupational

Therapists Victoria Inc.). A full profile of OT AUSTRALIA Victoria is attached to this

submission as a reference.

OT AUSTRALIA Victoria, as a major stakeholder in dealing with both occupational health and

safety and rehabilitation issues concerning injured workers, has made a number of submissions

to the Victorian WorkCover Authority in recent years.

Comments of this submission are updated from those previous submissions and are made in the

Victorian context unless otherwise stated. It is hoped that the Commission will consider this

submission in such context against the background of the Inquiry.

OT AUSTRALIA Victoria strongly supports any initiatives that will bring about a national

framework for the closer alignment between occupational health and safety with compensation

across all jurisdictions. These initiatives will have a number of long term benefits to the health,

safety and wellbeing of employees and their employers, including:

• The prevention or minimisation of work related injuries through closer working

relationships between employers and employees with a reduction in pain and suffering

for employees;

The timely referral to specialist help once a work related injury occurs to ensure prompt

and appropriate assessment and treatment;

Promotion of proactive working relationships between the employer, employee and

rehabilitation professionals by utilising specialist knowledge at local level so that

rehabilitation is carried out within the work context to achieve optimal outcomes; and

Achievement of links between prevention, early intervention and rehabilitation of work

related injuries to enable benchmarking of best practice and to promote further research;

Major savings for employers and compensation systems.

lian Association of Occupational Therapists Victoria Inc

Occupational Therapists: Background Information

Occupational Therapists (OTs) are health professionals who are trained to assist people to

overcome limitations caused by injury or illness, psychological or emotional difficulties, or the

effects of ageing. Their goal is to assist each individual to move from dependence to

independence, maximising personal productivity, well being and quality of life. The central

medium of treatment in occupational therapy is the performance of normal activity by the client.

In the area of workers' compensation and Occupational Health and Safety (OH&S), OTs are

involved with

The prevention, early intervention and post injury management of injured workers

across all states and territories in Australia.

The analysis and modification of activities that either precipitate or perpetuate injury, or

prescribe alternative activities to reduce the impact of injuries.

• The assessment and provision of information, treatment and follow up of individual

injured workers in both work and home environments to ensure the ongoing

management of rehabilitation of an injury.

Conducting injury prevention programs that may include redesigning and modifying

workplaces or work processes for either individuals or groups of employees. For

example, many OTs provide manual handling training or conduct back care programs.

**Training and Registration of Occupational Therapists** 

Graduate courses in occupational therapy are offered in a number of universities in New South

Wales, Victoria, South Australia, Western Australia and Queensland. All Australian

occupational therapy courses are accredited with the World Federation of Occupational

Therapists.

Occupational therapists must register with their state based registration boards prior to practice

in Western Australia, Northern Territory, South Australia, and Queensland. However,

registration is not required in the other states and territories.

Overseas trained occupational therapists have their qualification assessed via the Council of

Occupational Therapist Registration Boards (Aust and NZ Inc.).

OT AUSTRALIA Victoria

Australian Association of Occupational Therapists
Victoria Inc

**Submission Recommendations** 

Recommendation 1: That a national framework be developed for the closer

alignment between OH&S and compensation across all jurisdictions.

OH&S has traditionally and rightly managed injury prevention whereas compensation has

managed rehabilitation. It would seem, however, from a practical and functional point of view,

that injury prevention and rehabilitation go hand in hand and that there are benefits in terms of

quality of care and cost that would see them dealt with in a continuum.

OT AUSTRALIA Victoria believes with greater attention to injury prevention major savings

can be achieved for employers and compensation systems alike - not to mention the reduction in

pain and suffering for the worker.

This is clearly exemplified through the work of those of our practitioners who have been active

in identifying hazards and risks and in implementing control procedures in workplaces.

Many of our members have intimate knowledge and understanding of worker and workplace

needs being one of the only health professional groups qualified with the necessary skills to

operate from the workplace.

Occupational therapists are able to:

• Pick up the potential for injury before injury occurs by modifying workstations, equipment

materials and procedures

• Assist those with early signs of injury to self manage, integrating strategies into their work

practice in a way that minimises further risk, optimises recovery, minimises pain and fatigue

that as a consequence raises workplace morale and productivity.

OH&S has specific monitoring roles and procedures in place that are proving to be effective in

raising the standard of safety and employee health and well being in the workplace. OH&S

performs a proactive role in visiting workplaces to monitor and, as appropriate, raise standards

to achieve 'best practice' for the industry under scrutiny.

Australian Association of Occupational Therapists
Victoria Inc

In recent times, the Victorian WorkCover Authority (VWA) has increased its focus on OH&S

staff recruitment and training with the service becoming more user-friendly. Information is

given to employers in a more supportive way, which has resulted in greater employer insight

into workplace safety issues. We are aware of this through occupational therapists and others

who hold positions in the OH&S field service. These include Field Officers (OH&S inspectors),

Group Leaders and occupational therapists who are rehabilitation providers with the VWA.

It is also positive that employers are given a time frame in which to carry out remedial action,

and regular follow-up by Field Officers is undertaken to monitor compliance as stated in S156

of the Accident Compensation Act 1985. This is further complemented by public education

campaigns to increase awareness of OH&S issues amongst employers and the general public.

However occupational therapists report that many employers, do not associate their injury

incidence with unsatisfactory OH&S practice and even when problems are identified, do not

know what rehabilitation professionals can provide and how to access them for both

rehabilitation and injury prevention. The organisational integration of OH&S and compensation

has not resulted in the integration of prevention and rehabilitation initiatives. Current VWA

Field Officers have no responsibility to monitor whether rehabilitation is being provided or not.

The process of rehabilitation seems primarily driven by cost containment. Rehabilitation in

Victoria is managed by six different agents (insurance companies) whereas OH&S is managed

directly by the Operations branch of the VWA. To the detriment of rehabilitation, varying

approaches are less likely to be shared between agents competing with each other. It can be

expected that a lack of sharing prohibits the building up of a body of professional knowledge

within WorkCover to highlight strengths and weaknesses of different approaches and thus their

association with more effective outcomes.

A 6-year longitudinal study conducted by a Victorian occupational therapist in

a large manufacturing industry found that preventative strategies were effective in reducing work-related injuries. The employer independently

verified the outcome measures -

- WorkCover claims reduced from 37 to < 5 over the 6-year period

- Absenteeism dropped from 400 lost working days to < 100 lost working days

The benefits to the employer in monetary terms have amounted to several hundreds of thousands dollars over the 6-year period. More importantly, the OT has fostered a culture of "prevention is better than cure" in the work

place, which continues to have on-going benefits to the employer.

A closer alignment between the OH&S and compensation will ensure a smooth continuum of care from injury prevention through to post injury intervention. It will also promote the closer links between employer, employee and rehabilitation providers, thus ensuring optimal outcomes at decreased costs to the compensation scheme and the community in general.

Victoria Inc

A number of studies support the relationship between closer working relationships and improved outcomes. Linton (1991) found that educational programs aimed at supervisors' behaviours were effective in facilitating the return to work process. Sinclair et al (1997) found that the provision of treatment unrelated to the workplace had a negative impact on the return to work outcomes. Another study (Thompson and Allen, 1999) found that lack of supervisor involvement in returning an injured person back to work was considered to be the second most significant factor in increased disability costs.

Victoria Inc

Recommendation 2: That mechanisms are put into place to ensure the continuum

of care from prevention to early intervention and rehabilitation of work related

injuries.

Lengthy delays associated with the approval process with the agents result in valuable time lost

before introduction of programs to mobilise the injured worker, either in activities at work, or,

where this is not possible, at home or in the community. Occupational therapists, working as

rehabilitation specialists, have evidence that demonstrates the benefits of early intervention in

achieving more timely and sustainable return to work rates.

Cohen et al (2000) demonstrated that early multidisciplinary diagnosis, assessment and referral

for treatment can positively influence outcomes in work related injuries. Furthermore, such

early intervention needs to be context based (i.e. embedded within the work environment) and

graded by health professionals "using time, rather than pain, as the guide to activity resumption"

(Maher et al, 1999).

A 12 month study by an occupational therapist in a large insurance company in Victoria found that early referral and intervention

achieved better outcomes with decreased costs-

- Referrals made 0-12 weeks post injury resulted in 94% RTW rate compared with 82% RTW with

referrals made between 0-104 weeks post injury;

- The average cost of the 0-12 week group was \$750 per case compared with \$993 in the 0-104 week

referral group.

WorkCover in Western Australia conducted a critical review of literature on factors influencing

recovery rates in 2001, the report commented that

"Delays in the provision of necessary medical interventions can

negatively influence treatment outcomes and has been shown to be a

significant predictor of increased time receiving workers' compensations

benefits... ... whereas early intervention has been shown to result in statistically

significant decreased numbers of medical practitioner visits and shorter

duration of work absences."

Australian Association of Occupational Therapists Victoria Inc

However, many occupational therapists are reporting cases referred to them many months after the employee has been off work. This is due a number of factors such as:

- Lack of awareness of the roles of occupational therapists in vocational rehabilitation
- Lack of employers' awareness of their options
- Lack of in-depth knowledge and skills within the insurance agents.

These delays are no doubt adding frustration to employers and employees at the added cost to the compensation system. Once injured, the longer an employee remains off work, the less likely he/she is able to return to work (Robinson et al, 1997).

While no single model of best practice in early intervention and rehabilitation identified, the Western Australia WorkCover report (2001) highlighted the following characteristics

- The use of multidisciplinary, aggressive, functional restoration program;
- Early diagnosis and appropriate referral for rehabilitation;
- Good case management communication between all key parties; and
- Availability of suitable duties with the employer.

Development of a continuum of care from prevention through to early intervention and rehabilitation of work related injuries, incorporating the identified principles of best practice, will have significant impact the outcomes of work related injuries, as well as the viability of the compensation and OH&S schemes.

Recommendation 3: That a national framework be developed to address the issue of inconsistent recognition and remuneration of occupational therapists.

Occupational therapy literature on early intervention and rehabilitation of work related injuries support current best practice principles. Stuckey (1997) highlighted the profession's historical use of work activities in rehabilitation and its training in human psychosocial and physical function as ideally suited in playing a central role in work rehabilitation. Caruso et al (1987) described the Spinal Treatment Program in the South East USA, which stressed early intervention post injury as a key to its success. The study found that 135 of the 195 referrals to the program over a three year period had returned to work. In an Australian study (Innes, 1995) the notion of "workplace based rehabilitation" was put forward. The author advocated that the workplace, not a clinic, was the most effective and appropriate setting for rehabilitation. The author further highlighted the need for early intervention by a multidisciplinary team post injury as well as employer and employee involvement as critical factors for the success of any rehabilitation (Innes, 1995). The principles and success factors of workplace based rehabilitation were further advocated for by Helm et al (1999) and Joss (2002).

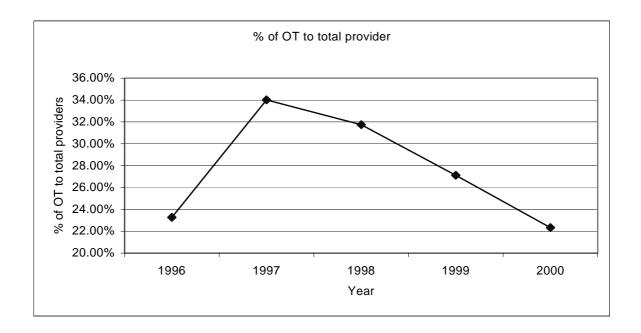
As mentioned previously, there is an inconsistency in the registration of occupational therapists between the various states and territories in Australia. This has contributed to differences in recognition and remuneration of occupational therapists across Australia.

For example, the current level of remuneration for OTs in Victoria is the lowest of any Work Cover schemes across Australia, as shown below:

NSW,	\$120 per hour
Queensland,	\$110 per hour,
South Australia	\$96, per hour
WA,	\$106.40-\$119.70 per hour
Vic	\$61.70 to \$78.60per hour

This has and will continue to lead to a gradual but significant decline of OTs registering as service providers with VWA. Data from VWA clearly indicated a fall of OTs from 34% of total number of providers in 1997 to about 22% in 2000 (see below). Attempts to obtain more up-to-date data has not been successful.

Victoria Inc



The exodus of experienced therapists had lead to situations where therapists with relatively low skill levels are engaging with VWA clients. Unfortunately, the outcomes for VWA clients are being compromised under this process. If the current levels of remuneration for OTs stay unchanged, one can expect further deterioration in the rehabilitation outcomes of VWA clients.

While occupational therapy is not the only health profession that it is managed by both registration and self regulation within Australia, problems do occur when the recognition of the specialist roles played by occupational therapists in rehabilitation of work related injuries is not consistent between the various states and territories. Professions such as physiotherapy and osteopathy that also play key roles of rehabilitation have registration in all states and territories in Australia. They also have the right to equivalent registration in other states and territories under the *Mutual Recognition Act 1992*. Given the crucial roles occupational therapists play in workers' rehabilitation, a similar national framework for the mutual recognition of OTs and their specialist roles would overcome current problems to the benefit of the schemes and injured workers.

ssociation of Occupational Therapists Victoria Inc

**Profile of OT AUSTRALIA Victoria** 

Prior to 1996, OT AUSTRALIA Victoria was known as the Australian Association of

Occupational Therapists Victoria Inc. It was formed as the peak body representing occupational

therapist in Victoria. It was officially incorporated in Victoria in 1947. At the time of its

incorporation, it was the second only association for occupational therapists in Australia, the

first being in NSW. Since its incorporation, other sister associations were incorporated in other

states and territories as well as an umbrella national association. A portion of the membership

fees from each state and territory association was forwarded to the national association, and as

such members of the state and territory associations are also made members of the national

association.

In 1996, all states, territories as well as the national association officially adopted the name; OT

AUSTRALIA. As a result, the national association became known as OT AUSTRALIA

National, the Victorian association became known as OT AUSTRALIA Victoria and so on. The

change in trading name was done in an effort to streamline the promotion of occupational

therapy to its key stakeholders as well as to the general public. The operational details of the

various associations were largely not affected by the change in trading names. Broadly

speaking, OT AUSTRALIA National examines issues at a national level and sets strategic goals

and directions in consultation with its state and territory counterparts. State and territory

associations in turn set appropriate strategic goals and directions at a local level in consultation

with their members. Currently there are over 5000 members of OT AUSTRALIA nationwide,

with over 1400 members from Victoria. Current major areas of focus for OT AUSTRALIA

Victoria include

• Continuous professional education (CPE)

Support for research

• MentorLink (professional mentoring)

• Special Interest Groups (SIG) and regional groups

• Job and employment support services

Australian Association of Occupational Therapists Victoria Inc

In April 2001, OT AUSTRALIA officially launched its Accredited Occupational Therapist (AccOT) program across Australia. The aim of the AccOT program is to assure professional excellence of occupational therapists (OTs), with the focus on the CPE needs of OTs. In order for an OT to be granted and maintain his/her status as an AccOT, he/she must collect a minimum of 60 points in CPE activities over a two-year period. Since its launch, the AccOT program was widely welcomed and endorsed by such key stakeholders as the Dept of Veteran Affairs, various health funds and insurance companies. Over 3100 OTs across Australia joined the AccOT program at its launch, with many more expected to follow, as many stakeholders are now requiring all their OT providers to adhere to the AccOT program.

In order to handle complaints and disputes involving AccOT occupational therapists, OT AUSTRALIA National has also set guidelines on Managing Concerns about Standards of Practice to ensure that an AccOT occupational therapist adheres to professional standards.

lian Association of Occupational Therapists Victoria Inc

References

Caruso, L. Chan, D. & Chan, A. (1987). The management of work-related back pain. American

Journal of Occupational Therapy, 41(2), pp 112-117.

Cohen, M. Nicholas, M. & Blanch, A. (2000). Medical assessment and management of work

related low back or next/arm pain, Journal of Occupational Health and Safety: Australia and

New Zealand, 16(4), pp 307-317.

Helm, R., Powell, N. & Nieuwenhuijsen, E. (1999). A return tow work programme for injured

workers: A reassignment model. Work, 12, pp 123-131.

Innes, E. (1995). Workplace-based occupational rehabilitation in New South Wales, Australia.

Work, 5 pp 147-152.

Joss, M. (2002). Occupational therapy and rehabilitation for work. British Journal of

Occupational Therapy, 65(3), pp 141-148.

Linton, S.J., (1991). The manager's role in employees' successful return to work following back

injury. Work & Stress Vol. 5, 3, pp 189-195.

Maher, C., Latimer, J. & Refshauge, K. (1999). Prescription of activity for low back pain: What

works? Australian Journal of Physiotherapy, 45, pp 121-132.

Robinson, J. P., Rondinelli, R. D., Scheer, S. J. & Weinstein, S. M. (1997). Industrial

rehabilitation medicine: Why is industrial rehabilitation so unique? Archives of Physical

*Medicine Rehabilitation*, 78(3), S3-9.

Sinclair, S.J., Hogg-Johnson, S., Murdoch, M.V., & Shields, S. (1997). The effectiveness of an

early active intervention program for workers with soft tissue injuries. The early claimant cohort

study. Spine, 22(24), pp 2919-2913.

Subjective Disorders in the Workplace, Toronto, Canada.

Thompson, C. & Allen, P. (1999). Managing the complexities of return to work for employees with mental and nervous, stress-related and subjective disorders. Workshop presented at

Victoria Inc

WorkCover Western Australia. (2001). *Does workers' compensation influence recovery rates?*A critical review of the literature, retrieved from <a href="http://www.workcover.wa.gov.au/pubs/default.asp">http://www.workcover.wa.gov.au/pubs/default.asp</a>