

ACC CHANGES ARE NOW IMMINENT

The Minister of ACC Hon Dr Nick Smith by letter of 23 May 2011 has advised us that ACC's focus for injury prevention is to continue to improve the level and effectiveness of its injury prevention activities. On 21 December 2010 Dr Smith announced that the Government would consult the public on proposals to extend the Accredited Employers' Programme and to offer employers a choice of purchasing workplace accident insurance from either ACC or from a registered insurer. A copy of this paper is provided together with some questions and answers relating to the proposed extension of the Accredited Employers' Programme.

What is and ACC Accredited Employers' Programme?

The ACC Act 2001 allows employers to self manage and fund work injury claims. Why?

- 1) Promote Injury Prevention and Rehabilitation
- 2) Reduce Work – Related Personal Injury claim costs and levies
- 3) Provide benchmarks to measure the effectiveness of self management

This can be done using either:

- Partnership Discount Plan – Employers accept injury management and financial responsibility for work related injuries during a management period for a discount of 50% - 60%, depending on the management period and industry profile.
- Full Self-Cover Plan – Whereby employers assume full financial and injury management responsibility – with discounts up to 90% for:
 - a) Work-related injuries for the management period
 - b) Continuing financial liability for the life of the claim – or to a pre-selected limit.

What has the government decided on the Accredited Employers' Programme?

- To consult to change the requirements of the programme so that more of New Zealand's larger employers are able to join it.

Where does that leave your business as you complete for employees and customers?

Consultant Name _____

Telephone/Fax _____

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News & views from Summit Winter 2011



ACC'S NEXT STEPS

ACC ended last calendar year by announcing the following key decisions:

- 1) No increase in workplace, motor vehicle, or earner levies for 2011
- 2) Introduction of experience rating in the Work Account.
- 3) Extension of the Accredited Employers' Programme (AEP)
- 4) Greater independence of the Disputes Resolution Service.
- 5) Decision in principle for the introduction of choice in the Work Account.

Why did Dr. Nick Smith, Minister for ACC, announce that the Government will consult the public on proposals to extend the Accredited Employers' Programme and to offer employers a choice of purchasing workplace accident insurance from either ACC or from a registered insurer?

To encourage more innovation and more scope for alternative injury prevention measures, leading to a more effective and efficient workplace accident insurance cover.

Is Your Business Ready?

Is your business ready for their past loss history to be compared to your industry averages for the last 3 years?

Do you have the controls in place to put you in the position to apply for selective private cover?

NB: Private insurance companies look not only at your past losses, but at your management's ability to identify and control loss exposures.

Private insurance companies do not base their profitability on what you say you will do as much as what they can see what you have done.

And not just that what you have done, but how well - that is how effective - your actions will be in controlling the future actions of employees and the safe condition equipment.

Past training is not sufficient, health and safety programs must be actively managed for them to be truly effective. It is estimated that for every dollar spent on injury prevention we save our nation 10 dollars in vote health and prisons and

probation service costs.

OPTIONS AND CHOICES VERSUS PRAGMATISM

Recent Government policies have been all about options and choices versus pragmatic regulations. This is the populist thinking of the current generation. Lack of fortitude and mental discipline will inevitably mean more hospitals, more prisons, more probation service centres and more allied health people. And yes the choice is ours and options are very nice. Perhaps we want to pay huge taxes and insurance costs so that we do not have to become involved and simply ignore the issues and problems. When I went to school it was called laisee faire or "leave things alone".



2.

SUMMIT HAS A PROVEN TRACK RECORD OF SUCCESS

We can help you with your ACC discount programmes, getting your current system up to date or updating to our new OSHMAN which helps you look to the future where there will be even greater impact on your business bottom line, not once, but each year that it is included in the 3 year averages.

We can give assurances of success to all clients who are prepared to put in the work alongside us to achieve major discounts and reap the rewards of injury prevention and low insurance costs for workplace cover.

INCREASING CHOICE IN WORKPLACE ACCIDENT COMPENSATION

It is recommended that you go to www.dol.govt.nz and seek a copy of the above document and that you make meaningful submissions to influence your own position and gain even more benefits from positive programmes designed to prevent workplace injuries.

The pragmatic reforms proposed in the paper are about improving workplace safety, better rehabilitation of injured workers and stronger incentives to manage ACC costs.

For the purpose of making it simple for you to respond, we enclose a copy of pages 40 and 41 of the document.

3.

The Spectrum of Prevention



RECOMMENDED ACTIONS TO SAVE YOURSELF MONEY

Read the pages attached. If you have questions, do not hesitate to contact us. It is suggested that you send in the form with the following answers (you do not have to answer all of the questions).

2. Yes this is logical and claims management should start from date of the injury.
4. Yes as otherwise there is too much risk for an employer.
5. Yes claims history should be taken into account along with future risk.
6. Yes the employer will not be able to take such huge risk.
8. Yes the smaller employers should be eligible to have groups in the scheme.
11. No it is imperative that all employers be required to produce evidence of external audit. In Australia, nearly every workplace gets an annual audit visit.
13. Yes self employed people should be able to choose both types of cover.
14. Yes this is very obvious and necessary.
15. To make sure the scheme is focused and subject to continual improvement.
16. Some doctors and allied health people are likely to be very obstructive.
19. Yes there needs to be regulations to stop private insurers cherry picking.
20. Yes there must be independent dispute resolution without conflict of interest.
21. Sounds great but only time and experience will tell the story (prove the point).
22. Have simple forms and procedures to prevent a paper war nightmare.
24. Yes this is absolutely essential for an efficient and effective scheme.
26. Incentives must be great enough to get the average employer involved.
27. Provide contracts to injury prevention specialists for saving millions of dollars.