

CAMBRIDGE™



Payroll Association



Topics

Premiums

- Definition of worker and wages
- Payments
- How premiums are calculated
- Timeframes
- Wage audits

Claims

- Employer responsibilities
- Claims process
- Sections of the Act

Premiums

Definition of a Worker

- A person who enters into, or works under a contract of service or apprenticeship with an employer.

Also

- People who are engaged under government initiatives – e.g. “Work for the dole”
- Contractors = Deemed workers.

Definition of Wages

Payment made to a worker is remuneration – if it is made to or for the benefit of the worker

- Includes salary, overtime, shift and other allowances
- Fringe Benefits (after 30.06.2003) is actual value of benefit provided
- Any other money or money's worth

Apprentice Discount Scheme

- Incepted - 31.12.2006
- Encourage employers to engage apprentices
- Wages paid are not included in premium assessment
- Claims incurred are still included in experience rating
- Must be DET

Premium Discount / installments

- 3% discount on renewal premium where it is paid in full and within 30 days
- Installments monthly or quarterly without interest

Industry Classification (WIC)

- 5 digit number directly relating to business activity
- Each WIC has specific
 - Industry rate (WIC)
 - Dust disease rate (DDL)
 - Industry cost of claims rate (ICCR)

Employers can split the WIC rate in specific circumstances

Timeframes

- Estimates and actual declarations are due within 60 days of renewal date
- Declarations must indicate gross remuneration.
- Include super

Auto Renewals

- Failure to return declarations results in Auto renewal of the policy
- Calculation based on previous years estimated wages plus 30%

Wage Audits

- Random selection by WorkCover
- Referred by your Agent to an auditor appointed by WorkCover
- Covers previous 3 years of wages history

Claims

Employer Responsibilities - General

- Maintain current Workers Compensation Policy
- Provide accurate information
- Observe terms of the policy
- Retain records for 7 years
- Pay premium to your agent (not Broker or Intermediary)

Employer Responsibilities - Claims

- Notify your Agent within 48 hours of an injury occurring
- Notify WorkCover if a serious injury occurs
- Forward documents to your agent within 7 days
- Maintain a Register of Injuries Book
- Appoint a Return to Work Coordinator (Cat 1)

Employer responsibilities – Injury Management

- Cooperate and Participate in developing an Injury Management Plan
- Establish a Return to Work Program
- Provide suitable duties
- Keep files for 5 years

Claims Process

- Registered within 24 hours
- Case Manager / Injury Management advisor allocated
- 3 point contact made with 3 days of notification
- Liability decision with 5 days of notification

Excess

- Excess applied when greater than 5 working days pass before agent notified of injury
- Costs 1st week wages or \$500.00 whichever is greater
- Effects cost of claims → impacts premium

Wages – Sections of the Act

- Section 36
- Section 37
- Section 38
- Section 40

Questions