

GB team recognised for customer service excellence



Left to right: Darryl Bensted, ENERGEX Insurance Manager; Marianne Baker, ENERGEX Insurance Claims Officer; Christine Cordes, ENERGEX Insurance Claims Officer; Karen Buckman, ENERGEX Insurance Claims Officer; Bill Dwyer, GB Liability Manager; Maria Men, GB Claims Administration Assistant and Maree Bennett, GB Claims Administration Assistant.

Two GB claims assistants have been recognised by Queensland electricity and energy supplier ENERGEX for exceptional customer service.

Maria Men and Maree Bennett were the key personnel who handled claims on ENERGEX's behalf when a supply fluctuation caused equipment failures for about 110 customers in the Gold Coast suburb of Labrador in April 2009.

Their award citation reads: "For the provision of consistent customer service and prompt responses to customers who claim against ENERGEX for damaged electrical installations and appliances following faults on the ENERGEX network." In particular, the pair handled the Labrador claims in "a professional but understanding manner [to] successfully resolve claimants' concerns".

ENERGEX Acting Insurance Manager Marianne Baker said GB had managed multiple claim situations and personal injury claims for the energy supplier for more than a decade.

She said the workload varied, but ENERGEX appreciated GB's ability to get people onsite quickly and "ramp up" its call centre to deal with an influx of claims. "They're ready and waiting when we give them a call," she said.

"We've built a good rapport over the years; they know our business and our expectations."

Bill Dwyer, GB Team Leader – General Liability, said GB conducted letter-box drops in affected areas to alert

customers to GB's role in handling claims. Claims were prioritised, for example, fridges full of food or people with special needs were managed before broken clock radios, he said.

GB liaises with customers and organises repairs or replacements for electrical appliances or equipment. Bill said although a large team worked on the Labrador incident, Maree and Maria were the main customer contact personnel.

Ms Baker said customers were very complimentary about the service they received from Maree and Maria, which prompted the supplier to present them with the award.

GB is now eligible for an external supplier customer care award, part of ENERGEX's annual award presentations. In the past, GB has received four ENERGEX supplier quality awards and been a finalist in the customer care by a contractor award twice.



2

Games retailer makes RTW support a high priority



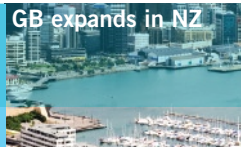
4

MERV automates GB risk registers



5

GB expands in NZ



7

Bear trap catches insurer on policy definition



Games retailer makes RTW support a high priority



With about 2,700 staff spread throughout Australia and New Zealand, injury management was always going to be a headache for games retailer EB Games.

The chain has 350 stores in Australia, 38 in New Zealand, and two warehouses.

Finance Director Andrew Thomson said the company realised that with staff spread across such a large geographic area, in-house injury management was not practical.

Instead, the major retailer last year appointed GB as its national rehabilitation and return-to-work (RTW) co-ordinator.

Mr Thomson said supporting staff throughout their rehabilitation and RTW was a key priority for EB Games. "We didn't have the expertise in-house to do that but, having seen GB in action, we realised they had the knowledge and experience to provide excellent support."

When a worker is injured, a member of the GB team contacts them and their store manager. GB completes all the paperwork for the relevant workers' compensation jurisdiction, submits the claim to the insurer, continually monitors the claim and drafts RTW and suitable duties plans.

The GB-EB relationship began in May 2009, and 13 claims have been processed so far. They were

predominantly manual handling claims, including shoulder, knee and back injuries. Also several transit claims, for people injured travelling to or from work.

Nicole Glover, Manager of GB's National Workers' Compensation Oversight Model, said GB had drafted rehabilitation policy and procedures manuals for EB Games, which had incorporated its OHS policies into them and distributed them to all stores.

"That ensures overall injury management is centralised and consistent," Nicole said. With store managers dealing only occasionally with claims, the manual helps them understand how to handle a claim if one occurs," she said.

GB assists with developing suitable duties and monitoring the RTW plan in the workplace – something a busy store manager has little time to oversee. Nicole said injured employees were keen to get back to work quickly. EB Games was "very proactive in looking after its employees and keen to have systems in place to ensure the chain is compliant and helping workers RTW as soon as they can".

Mr Thomson said staff feedback was very positive about the GB experience.

High Court rules: 'no relevant duty of care'

The High Court has ruled that a publican did not owe a duty of care to a man killed when driving home on a motorbike from a hotel while intoxicated.

The High Court decision overturns a decision of the Full Court of the Tasmanian Supreme Court (see GB Advantage #54).

The High Court allowed two appeals and ordered the Tasmanian Motor Accidents Insurance Board (MAIB) and the motorcyclist's widow, Sandra Scott, to pay costs to CAL No 14 Pty Ltd, trading as Tandara Motor Inn, in Triabunna, Tasmania.

In January 2002, Shane Scott had left the hotel to drive 7km home on his wife's motorbike. He had drunk seven or eight cans of bourbon and cola. Earlier, the publican had locked his bike in a storeroom, but Scott had later asked for the keys back and decided to ride home. He crashed into a guardrail and was fatally injured.

His widow had sued the hotel proprietor and the publican and the Tasmanian decisions had ruled in her favour. MAIB sued to recover payments it had made to her. Mrs Scott argued the publican should have called her to collect her husband.

But the High Court found the proprietor and the licensee "must succeed for each of three independent reasons. First, even if there was a duty of care, and even if it was breached, it has not been shown that the breach caused the death. Secondly, even if there was a duty of care, it was not breached. Thirdly, there was no duty of care".



GB and partners win major mining contract



GB has successfully teamed with two West Australian partners to win a claims review-injury management contract for the Fortescue Metals Group (FMG).

FMG is one of the world's largest iron ore producers. In its first full year of operation in 2008-2009, it mined, railed and shipped more than 27 million tonnes of iron ore to customers in China from its port site at Anderson Point, Port Hedland, WA.

GB's SA and WA General Manager Paul Easter said GB had set its sights on winning some claims business in the WA market and for 12 months had worked very closely with SBA Gallagher, a Perth-based specialty brokerage company.

"We recognised early that the WA workers' compensation market is different, so we needed some local expertise and representation," he said.

GB teamed up with Aurenda, a successful, well-regarded WA-based injury management organisation that focuses on assisting employers to reduce the financial and human cost of workplace injuries.

After substantial negotiations, GB, Aurenda and SBA Gallagher were successful in winning a contract for injury management and claims review services for FMG.

Paul said GB's Adelaide office would handle the claims review component and Aurenda the injury management role.

He said FMG was a rapidly growing mining company with an impressive track record. "FMG has built its own shipping port and railway line and has major mining sites in north-western WA with plans to open another major site very soon.

"Winning this business has created a great deal of interest in the WA market as it sees the SBA Gallagher, Aurenda and GB partnership as a serious player in the injury and claims management arena."

Paul said their success was attributed to the three organisations clearly understanding and defining their areas of expertise and pulling them together into a single proposal.

"The joint tender submission identified to FMG management, a seamless process of handling the full management of an injury anywhere, anytime in WA, from the time of occurrence through to return to work, with the least amount of stress for the injured worker.

"If an incident occurs that requires immediate medical evacuation, we are ready to coordinate a medical team and aircraft and can have the worker in a

Perth private hospital in the shortest possible timeframe anytime of the day or night," Paul said.

"We will arrange everything and have the most appropriate medical expert available at the hospital when the injured worker arrives."

Given FMG's positive, people-focused culture, that was "exactly what they were looking for".

"The goal is to identify every possible opportunity to improve workers' chances of returning to meaningful duties," Paul said.

GB's SA office would play a key role in reviewing claims handling and work closely with the insurer, GIO.

Paul said working with GIO built on the strong relationship that already existed between GB and the Suncorp group.

"We expect the tripartite arrangement with Aurenda and SBA Gallagher to be very successful as we venture further into the west and particularly into niche markets, such as mining, in WA and SA."

Paul said the arrangement demonstrated GB's ability to work with partners to produce an effective, unique product for clients.

Partnering with providers to help injured workers

From 1 July 2010, WorkSafe Victoria (WorkSafe), along with other workers' compensation jurisdictions, will adopt the Nationally Consistent Approval Framework for Workplace Rehabilitation Providers (NCF).

A national framework for workplace rehabilitation providers is intended to provide a robust approval system across the workers' compensation authorities and establish standards designed to deliver high quality workplace rehabilitation services to workers, employers and insurers.

The framework will remove some of the difficulties associated with delivering Occupational Rehabilitation (OR) services across different jurisdictions, and it will provide more consistency for employers with workplaces in multiple jurisdictions.

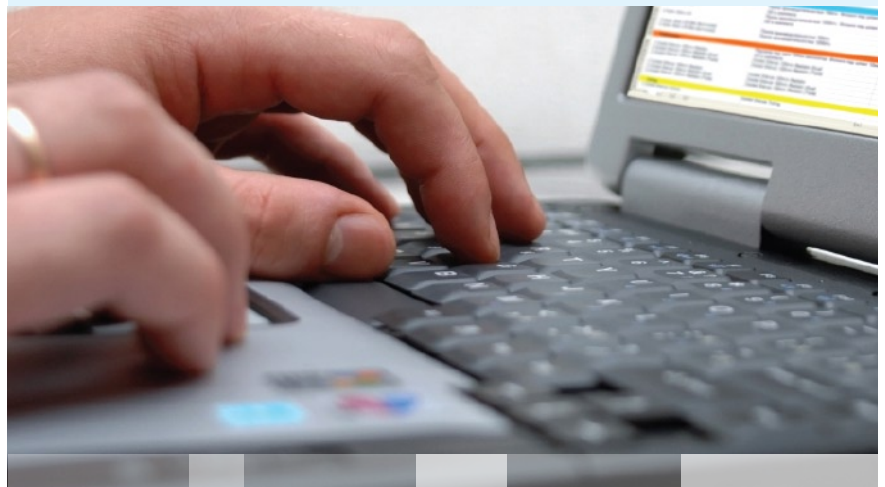
Adoption of the NCF will coincide with a WorkSafe tender for organisations wishing to deliver OR services to injured workers in Victoria from 1 July 2010 onwards. The new arrangements will reflect WorkSafe's commitment to partner with rehabilitation providers to improve return to work outcomes through better access to high quality services.

In order to provide OR services for WorkSafe from 1 July 2010, providers will need to meet the NCF requirements and be a successful respondent to WorkSafe's tender process.

To make an NCF application and to find out more about the tender, visit: worksafe.vic.gov.au and click through to 'Healthcare Providers > Occupational Rehabilitation > New arrangements for OR services'.

Each year WorkSafe and Victorian rehabilitation providers help around 7,000 injured workers get back to work. When injured workers return to work, everyone benefits – workers, employers, their families and the community.

MERV automates GB risk registers



GB has expanded its risk management capabilities with a new online program that automates GB's risk registers.

The Management Enterprise Risk Vehicle (MERV) was developed in-house and is an important milestone for GB's risk management programs.

GB's National Risk Manager Andrea Kanserski said MERV replaced GB's Excel-based spreadsheets, allowing easier access by GB's risk owners. MERV linked GB's strategic and operational risks back to the company's business plans, allowed contractual risks to be aligned to their client accounts and gave project managers the ability to assess project risks and manage them electronically to achieve project outcomes.

The project began six months ago when Andrea documented the system requirements. While off-the-shelf systems were available, she said GB needed a tailored program that allowed the company to integrate its risk registers with existing applications, such as business plans, audits and financial information.

There was extensive consultation with stakeholders before the system was developed and considerable testing before it went live. Further enhancements to MERV would support GB's IT security arrangements and compliance with ISO 27001.

Andrea said MERV automated previously manual functions, reducing

time and giving stronger accountability and visibility. MERV gives the board and senior executives instant access to live data during meetings and at their desktops.

MERV includes a control repository, which standardises control language, application and evaluation criteria across GB's business functions, including finance, HR, claims operations, premiums and payments. Business unit managers have responsibility for adding, revising and approving new controls.

"We've gone from a clunky Excel format to a streamlined tool that's easy to follow and has a good history log, so we can follow the transitioning of risks and cost of risk mitigation," Andrea said.

The automated system is linked to GB's product support function, giving the audit team direct access to risk assessments to support independent validation of risk controls and ratings.

"GB now can obtain clear, consistent risk reports against approved risk register information," Andrea said.

MERV allowed GB to demonstrate continuity of risk management practice and audit control testing - all within one management tool.

Andrea said GB executives and corporate and operational teams were now participating in MERV training.

GB expands in NZ



Terrance Coe, previously a Business Development Manager in GB's Melbourne office, has returned to Wellington to be GB NZ's National Manager Business Development.

GB sees the NZ market as having significant growth potential and Terrance's appointment is the next step in a three-year business plan for GBNZ. Terrance will generate new business and open a new branch in Wellington to support clients in the southern part of NZ's North Island.

Before joining GB in 2006, Terrance worked for 14 years at NZ's Accident Compensation Corporation (ACC). His roles included Corporate Account Manager and National Premium Services Manager, where he was responsible for the run-out of NZ's experience-rating system and managing queries from employers and self-employed people when privatisation was introduced to the NZ market.

He said it was a common misconception the ACC scheme was NZ's version of Australia's workers' compensation system. "The overall scheme is split into various accounts, such as work, non-earners, earners and motor, but the scheme is a comprehensive, no-fault compensation program covering injury caused by accident.

"The accident does not need to be work related; it could be falling off a ladder at home or a weekend sports injury. Think of the scheme as a very broad social insurance program covering New Zealanders who sustain injuries and includes cover for visitors to NZ," Terrance said.

While the scheme's fundamental ideology differed from Australia's workers' compensation, there were enormous similarities in claims management.

"Personal injury and rehabilitation principles hold true, whether the person sustains injury at work or elsewhere," he said.

With NZ announcing increases to levy rates, there is renewed interest in the ACC's Accredited Employers' Program (AEP), commonly referred to as the partnership program. It enables employers to take a degree of self insurance, while retaining the government scheme's support. Through AEP, employers self manage the work account component of the broader ACC scheme.

"That gives them greater control and enables them to reap financial benefits

by integrating injury prevention initiatives with injury management processes," Terrance said.

Peter Walker, GB General Manager – Business Development, said: "It is an ideal time for GB to offer the NZ market its knowledge gained from more than 40 years of global claims management and injury prevention experience. As one of the world's largest and most successful third-party claims managers, GB can show NZ employers what we can do to reduce their costs."

Peter said Terrance's prior ACC experience and expertise gained through working with large organisations in NZ and Australia offered value to current and potential NZ clients and made him an obvious choice to lead GB's development in Wellington.

Terrance is undertaking a Masters in Management (Personal Injury) at Deakin University and enjoying being back in NZ's cooler climate, with his wife, Donna, and two young daughters.

GB processes are about early and effective rehabilitation and providing solutions to prevent injuries occurring. To discuss what GB can do to reduce NZ employers' workplace premium and injury costs, phone Terrance on +64 (0) 49 055 977.

GB offers Claims Management and OHS training sessions

GB continues to assist clients to manage their workers' compensation and occupational health and safety needs in 2010.

To ensure clients are well informed on those topics, GB offers a comprehensive range of training sessions.

The following is a sample of forthcoming courses in Melbourne and Sydney. For a full list of courses and details on how to register, please access the training calendar on the website or call a GB office for a hard copy. For web access, go to www.gallagherbassett.com.au, click on Solutions/Workers' Compensation/Statutory Schemes/Training – the training calendar is on the right-hand side of the screen.

Victoria:

Role of a Return to Work Coordinator

12 and 13 May - Melbourne City
2 and 3 June - Melbourne City

Basic Claims Management

9 June - Melbourne City

Advanced Claims Management

18 May - Melbourne City

Overview of Premium

23 June – Box Hill

Vehicle and Safe Systems of Work

9 June - Melbourne City

New South Wales:

Role of a Return to Work Coordinator (Advanced Session)

10 June - North Sydney

Qld Claims Management and Return to Work Coordinator Training

31 May - North Sydney
(WorkCover accredited)

Advance Claims Management

19 May - North Sydney
(WorkCover accredited)

Manual Handling

12 May - North Sydney

How to Build an Effective Health and Safety Culture in Your Workplace

25 May – North Sydney
(WorkCover NSW accredited)

Managing Occupational Stress in the Workplace

20 April - North Sydney

GB to manage ComfortDelGro Cabcharge fleet claims



GB's NSW General Insurance Division has been awarded a long-term contract, via Austbrokers Canberra Pty Ltd, to manage below-deductible motor fleet claims and associated recoveries for ComfortDelGro Cabcharge Pty Ltd (CDC).

ComfortDelGro Corporation Limited is one of the world's largest land transport companies with a total fleet size of 44,000 vehicles. It is the market leader in Singapore and has a significant overseas presence. The corporation's operations extend from the United Kingdom and Ireland to Australia, Vietnam, Malaysia and across 14 cities in China, including Beijing, Shanghai, Guangzhou, Shenyang and Chengdu.

CDC is the second-largest commuter bus operator in NSW and one of Victoria's larger operators. The company operates services as part of the NSW metropolitan bus system under the Westbus, Hillsbus, Charter Plus and Hunter Valley brands.

Damien Gilhooley, GB's National Business Development Manager, said the new contract enhanced the relationship between GB and

CDC, which had developed into a true partnership over the past several years. GB also manages CDC's NSW workers' compensation claims.

He said, CDC had undergone rapid expansion in Australia and throughout Asia and the UK and GB was excited to have the opportunity to manage its motor facility and oversee a critical component of its Australian business.

GB is using its propriety claims management system, RISX-FACS® to complement existing risk management data captured by CDC.

RISX-FACS® enables GB to tailor its data capture to identify adverse incident trends, such as driver frequency and accident causation, and help CDC and its depots identify repeat incidents.

"The appointment confirms a growing industry view that GB's management of below-excess motor claims is second to none for proactive, timely responses and third-party recovery successes," Damien said.

Bear trap catches insurer on policy definition



The word 'bear' does not mean 'pay' when interpreting an insurance policy.

That's the unanimous verdict of the NSW Court of Appeal, which refused Calliden Insurance Ltd leave to appeal against a District Court judgement in a case involving a man injured in a workplace incident.

Daniel Arthur Chisholm was injured in March 2007 while working for labour hire firm Employ 14 and alleged his injuries were caused by a fellow employee's negligence. Employ 14's broadform liability policy with Calliden was valid until December 2007 and had a \$2 million per occurrence sum insured. Employ 14 went into liquidation in August 2007.

In April 2009, Chisholm sought leave under section 6(4) of the Law Reform (Miscellaneous Provisions) 1947 Act to start proceedings against Calliden directly.

Calliden resisted the application, claiming it was not required to indemnify Employ 14. Its argument rested largely on a policy condition that required Employ 14 to pay an excess of \$25,000

per claim. However Employ 14 was insolvent and the liquidator had declined to pay. Calliden argued the condition was "a condition precedent to the engagement of indemnity".

It said: "Where an excess is shown in the schedule, you or any other person insured must first bear the amount of the excess for each and every claim."

District Court Judge Michael Elkaim had agreed with Chisholm's argument that the condition required the insured to 'bear' the excess but not 'pay' the amount. He found the excess provision did no more than "relieve the insurer of liability to pay the first \$25,000 of a claim".

Judge Elkaim said if Calliden's interpretation were correct "it would relieve an insurer from liability whenever an insured was unable to pay the excess".

NSW Appeal Court President James Allsop, with whom Justice Peter Young and Acting Justice Ronald Sackville agreed, found Judge Elkaim was "clearly correct".

Justice Allsop said the argument was supported by the fact that the policy required the insured to promptly pay the premium, but was silent on whether that applied to any excess. "There is nothing in the language of [the clause] or in the definition of 'excess' to suggest the insured is to pay the amount of any excess before the insurer becomes liable to indemnify the insured" for its legal liability to a third party suffering personal injury.

"No dictionary definition of the word 'bear' is 'pay'. We accept the limitations on dictionary meanings, but the natural, coherent meaning of 'bear' is 'to be responsible for' or 'carry'."

He said there was "no apparent commercial purpose in restricting operation of the policy to only a solvent insured".

Justice Allsop said excess clauses had several commercial purposes, including: giving the insured an interest or encouragement to prevent or minimise claims; or eliminating small claims from the insurer's book.

Calliden was ordered to pay costs.

GB Staff Snapshots



Manager
National Workers'
Compensation
Oversight Model
Nicole Glover

Nicole Glover believes the demand for assistance in the marketplace to contain and reduce costs and premium for workplace injuries has never been greater. More employers want to not only ensure they are compliant with complex legislation in each state, but understand and, where possible, drive financial and cultural benefits within their organisation and achieve the best possible outcome for workers and stakeholders. Nicole has worked in the workers' compensation industry since 2000. She holds a Bachelor of Business and a Diploma of Occupational Health & Safety and is currently completing a Master of Commerce. Since joining GB in 2007, Nicole has developed and implemented a national outsourced workers' compensation model, which employers can integrate into their business to achieve those outcomes.



Claims Specialist
- Liability
Malcolm Carroll

Malcolm Carroll believes while technology and knowledge of the law are important tools, the ability to form effective relationships with all stakeholders is essential to achieve successful outcomes for GB clients and claimants. Malcolm holds a Bachelor of Laws and worked as a solicitor in private practice for 10 years. He has also worked as a loss adjuster, handling public liability, workers' compensation and medical malpractice claims. Malcolm joined GB in 2000. Through his extensive legal and insurance career, he has acquired a broad range of skills and knowledge. He now specialises in public liability, professional indemnity and product liability claims.



Senior Claims
Consultant
Ian Pullar

Ian Pullar believes his role of Project Manager, combined with 20 years handling disability claims in superannuation and insurance, has supported him in his role as Claims Examiner in the Crisis Management team at GB. Ian was part of the set-up team when the Telstra Superannuation Scheme began in 1990 and led the insured Benefits team for eight years. He later moved into a project management role handling a diverse range of insurance and superannuation matters. When Ian joined GB in 2004, he brought a wide and varied range of experience and skills that have allowed him to achieve quality results for GB clients and their stakeholders.

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