# **MEDIA RELEASE**





Media enquiries: WorkCover SA - (08) 8238 5733 or 0427 218 584

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## **WORKCOVERSA ANNOUNCES NEW CLAIMS AGENTS**

WorkCoverSA today announced that Employers Mutual SA and Gallagher Bassett have both been appointed to provide claims management services for the South Australian WorkCover Scheme from 1 January 2013.

The announcement follows an extensive procurement process which commenced last year.

"The announcement of the new claims agent arrangements is a significant step towards continuing to improve the Scheme's performance and the State's return to work rates," said WorkCoverSA Board Chair Mr Philip Bentley.

"This is the second major reform in recent months that WorkCover has launched to improve the performance of the Scheme," Bentley said.

Last month WorkCover launched the new experience rating system approach to calculating premiums for medium and large employers.

While the experience rating system provides an incentive for employers to improve their claims experience, the new claims agent contract provides greater financial incentives for the claims agents to also improve return to work outcomes across all claims categories<sup>1</sup> and therefore the longer term performance of the Scheme.

"The agent remuneration arrangements are designed to ensure appropriate attention is focussed on all claims," Bentley said.

"Later in 2012 registered employers will be asked to nominate which claims agent they wish to use for 2013 which will be taken into consideration when determining the initial allocation of employers to agents," he said.

For the commencement of the contract in January 2013 both agents will receive a 50 per cent market share. Each year after 2013 employers will have the opportunity to change agents if they wish.

WorkCoverSA Chief Executive Rob Thomson said "Our main priority is to ensure that a high level and quality of service is maintained through the transition period from 1 January 2013 to March 2013."

"WorkCover will work closely with both agents to ensure this process is as smooth as possible," Thomson said.

WorkCoverSA advises all registered employers in the Scheme and workers with active claims that there will be no change at this point in time to their current arrangements as a result of this announcement.

WorkCoverSA will contact impacted employers and injured workers later in the year if there is a change to their claims agent arrangements.

For more information on the new claims agent arrangements visit www.workcover.com.

<sup>&</sup>lt;sup>1</sup> All claim categories includes 26, 52 and 104 week claims, effective work redeployment (claims between 90 and 145 weeks) and long term claims (tail claims longer than 145 weeks).

### Background

### **Employers Mutual SA**

Employers Mutual SA Pty Ltd has been established specifically to act as claims agent in South Australia. It is a wholly owned subsidiary of Employers Mutual Limited, and is part of the Employers Mutual group that has operated as a mutual in Australia since 1910.

Employers Mutual Limited has been the sole claims agent for the South Australian Scheme since 2006.

## **Gallagher Bassett Services Pty Ltd**

Gallagher Bassett is incorporated in Queensland and has provided claims administration and related services across Australia and New Zealand for over twenty years.

It is a wholly owned subsidiary of Arthur J. Gallagher & Co. which is traded on the New York Stock Exchange, employs nearly 13,000 people worldwide.

It is currently contracted as a claims agent for workers compensation schemes with WorkSafe Victoria and WorkCover NSW.

In South Australia, Gallagher Bassett was appointed to the State Procurement Board panel contract for the provision of audit and related services in 2006 and has been providing services to South Australia Police in relation to its self-insurance requirements since 2005.

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