

SECTION 53 VOCATIONAL RE-EDUCATION PROGRAMS

Section 53 of the 1998 Act provides for WorkCover to institute, administer or coordinate vocational re-education and rehabilitation schemes for injured Workers. WorkCover provides:

- (a) financial assistance for the retraining of injured Workers, including on-the-job experience with a host Employer ie. a work trial
- (b) financial incentives for the provision of equipment to Employers who retain their injured Workers and the equipment will prevent re-injury, or
- (c) financial assistance to Employers who offer new employment to unemployed injured Workers ie. JobCover placement program.

Costs associated with these programs are met from the Scheme Agent's Workers Compensation Insurance Fund (WCIF) Payments Account. The payments are to be recorded against a claim but are excluded from an Employer's experience adjusted Premium.

This operational instruction outlines the administration and management of section 53 vocational reeducation programs, including retraining, equipment and workplace modifications, work trials and the JobCover placement program.

Retraining

The Scheme Agent can approve retraining costs up to \$10,000 per claim, if the retraining complies with the <u>Retraining of Injured Workers</u> guidelines. These costs are met from the Scheme Agent's Payments Account. Separate disclosure of these costs is required in the monthly financial reporting returns and via transactional level data reporting.

Where costs exceed \$10,000 per claim, an application must be made to WorkCover, with a recommendation from the Scheme Agent that the retraining is reasonably necessary. If Approval is given, the Scheme Agent will administer payment for these costs.

Equipment and workplace modification

The Scheme Agent can approve up to \$10,000 per claim for costs associated with equipment and/or workplace modifications under section 53. For further details, see Funding of equipment and workplace modifications guidelines. These costs are met from the Scheme Agent's Payments Account. Separate disclosure of these costs is required in the monthly financial reporting returns and transactional level data reporting.

Where costs exceed \$10,000 per claim, an application must be made to WorkCover, with a recommendation from the Scheme Agent that the equipment and workplace modification is reasonably necessary. If Approval is given, the Scheme Agent will administer payment for these costs.

Ownership of the equipment and workplace modification is outlined in <u>Funding of equipment and</u> workplace modifications guidelines.

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Page 1 of 3	TRIM File No: 2005/047717 TRIM Doc No: D07/020661

Work trials

Work trials are short periods of work with a host Employer – ie. not the Worker's Employer at the time of Injury – that help the injured Worker develop their work skills, or upgrade their physical fitness in a suitable work environment.

WorkCover is required to Approve all work trial applications and administers the cost of travel and essential equipment associated with the work trial. The Worker continues to receive their ongoing weekly Benefits and other entitlements direct from the Scheme Agent handling their claim. For further information, see Work trial guidelines.

JobCover placement program

The JobCover placement program provides a financial incentive for a different Employer to employ a Worker who has a work-related Injury.

The Scheme Agent covering the new Employer's Policy pays the subsidy. Disclosure of these costs is required in the monthly financial reporting returns only.

For further information, see the JobCover placement program.

Review of applications

If the Scheme Agent does not approve an application for retraining, equipment and/or workplace modifications under \$10,000, the provider, Worker or Scheme Agent can ask WorkCover to review the submission.

Reporting to WorkCover

Financial reporting

Disclosure of all costs associated with S53 are required in the monthly financial reporting returns.

These costs are costs for s53 programs including:

- · Retraining, equipment and workplace modifications and
- Financial incentives (JobCover placement program).

The Scheme Agent must maintain records of all s53 program payments. The records must correspond to the amounts disclosed on the monthly financial reporting returns and are subject to audits (both financial and process).

Transactional data reporting

To ensure transactional level data is reported against each claim for retraining and equipment the s53 **payment classification** codes VRE-retraining and VEQ-equipment are to be used. (Currently the payment classification codes for Work trials and JobCover are not used as WorkCover administers work trial payments and the new employer's Scheme Agent administers JobCover payments). To account for equipment and retraining payments in estimates use estimate type 64-Estimates on liabilities — estimates to be excluded from cost of claim calculations as described in the claims technical manual as part of the Operational Document Set.

The Nominal Insurer has no requirement for the Scheme Agent to make system changes as a result of this operational instruction.

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Page 2 of 3	TRIM File No: 2005/047717 TRIM Doc No: D07/020661

No Impact on an Employer's Premium Calculation

The cost of s53 programs are not to be included in the cost of claim for Premium setting purposes in the same way as interpreter fees are excluded from Premium setting.

The Scheme Agent is requested to be mindful of the need to exclude such costs from Employers whose Premium is experience rated.

References

Workplace Injury Management and Workers Compensation Act 1998, section 53

Retraining of injured Workers

Funding of equipment and workplace modifications

Work trial guidelines

JobCover placement program

Deed, Schedule 2, clauses 2.2.5, 2.2.7, 2.2.11, 2.3.1, 2.4.2. 2.5

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Page 3 of 3	TRIM File No: 2005/047717 TRIM Doc No: D07/020661