

The logo for Work Safe Tasmania. It features the words "Work Safe" in a bold, white, sans-serif font on a black background. The word "TASMANIA" is written in a smaller, white, sans-serif font below "Safe". The entire logo is contained within a black arrow shape pointing to the right, which is itself set against an orange diamond background.

**Work Safe**  
TASMANIA

The background of the cover features a photograph of hands writing on a document with a pen. The image is overlaid with a white grid pattern and a blue diamond-shaped graphic. The bottom portion of the cover is a solid dark blue color.

# SCHEME MONITORING

2018 - 2019

AN ANALYSIS OF KEY WORKERS  
COMPENSATION SCHEME INDICATORS  
FOR THE CURRENT FINANCIAL YEAR

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# INTRODUCTION

## PURPOSE AND SCOPE OF WORK

This report allows comparison of Scheme experience in 2018-19 relative to the prior year and also relative to actuarial projections for the following:

- Total claims reported
- Total claim payments and
- Premiums received

## DATA

The data used in the preparation of this report comes from the WorkSafe Tasmania Information Management System. While every effort is taken to ensure the accuracy of this report, all data is provided by Licensed and Self Insurers as well as the Tasmanian State Service. WorkSafe Tasmania cannot ensure the accuracy of the data.

The "projection" elements are based on the actuarial projections documented in their *Scheme Review to 30 June 2018* report by Pricewaterhouse Coopers Consulting (Australia) Pty Ltd. The reader is referred to that report for a full explanation of how these projections have been derived.

The data used in the production of this report was as at 18 July 2019. For this report, data as at the end of June 2019 is compared with data as at the end of June 2018.

The report provides data for the 2018-19 financial year unless otherwise stated.

# SUMMARY OF FINDINGS

## CLAIMS

- Total claim numbers are 3.5% above actuarial projections and 7% above the previous year's claim numbers.
- Lost time claims are 14% more than actuarial projections and this was expected with the removal of employer excess provisions.

## PAYMENTS

- \$172.9m in claims have been paid to end 2018-19 which is 0.2% lower than actuarial projections.

## PREMIUMS

- The written premium pool for 2018-19 to date is approximately 10% lower than suggested.
- The written premium rate is 1.82% which is approximately 13% lower than the suggested rate of 2.10%.

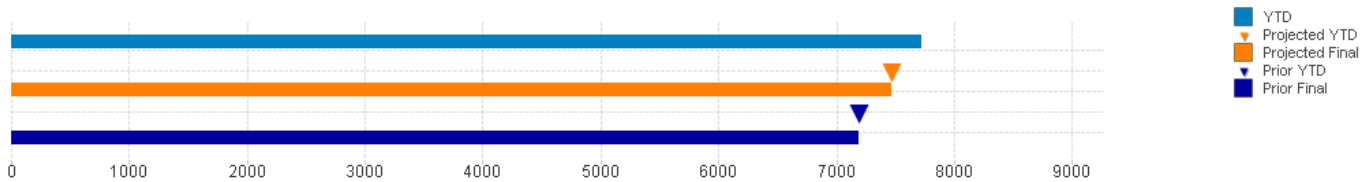


# DETAILED FINDINGS

## CLAIMS

### TOTAL CLAIMS REPORTED

The total number of claims reported in 2018-19 at the end of June 2019 is 7,728. This is 3.5% above the scheme actuary projection of 7,465 claims and 534 (7%) more claims than at the end of June 2018 (7,194).



### LOST TIME CLAIMS REPORTED

There have been 4,940 lost time claims reported to the end of June 2019 which is:

- 600 (14%) more lost time claims than projected by the actuary.
- 1,128 (30%) more lost time claims than to the end of June 2018.

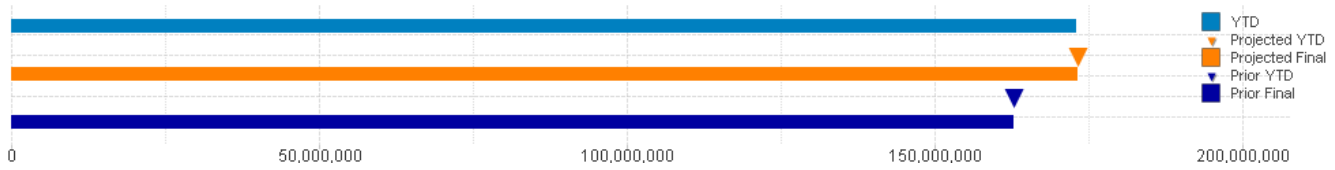
Note: The increase in the number of claims is a likely result of legislative changes effective 1 January 2018. The removal of excess provisions was expected to result in an increase of 'smaller' more minor claims being reported.



# CLAIM PAYMENTS

## TOTAL PAYMENTS

There has been \$172.9m in claims paid to the end of June 2019. This is 0.2% (\$0.35m) lower than actuarial projections (\$173.2m) and 6% (\$10m) higher than to the end of June 2018 (\$162.9m).



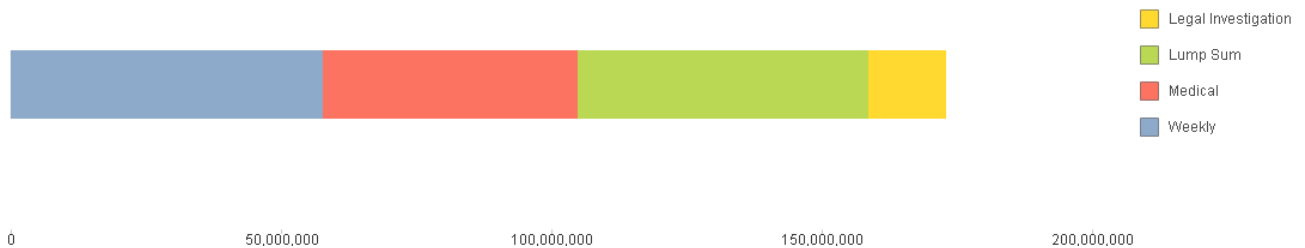
## PAYMENT TYPES

Claim Payments are grouped into four main types:

- Weekly Benefit payments;
- Medical and related payments;
- Lump Sum payments and
- Legal and Investigation payments.

For 2018-19, Weekly Benefits payments were the single largest claim payment type at 34% of total payments followed by:

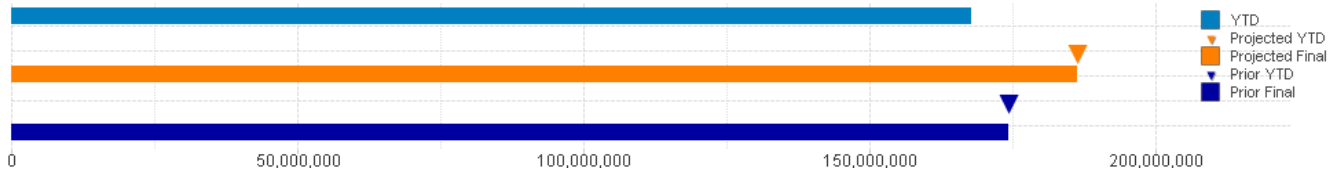
- Lump Sum payments 31%
- Medical and related 27% and
- Legal and Investigation 8%



# PREMIUM

## PREMIUM POOL WRITTEN IN 2018-19

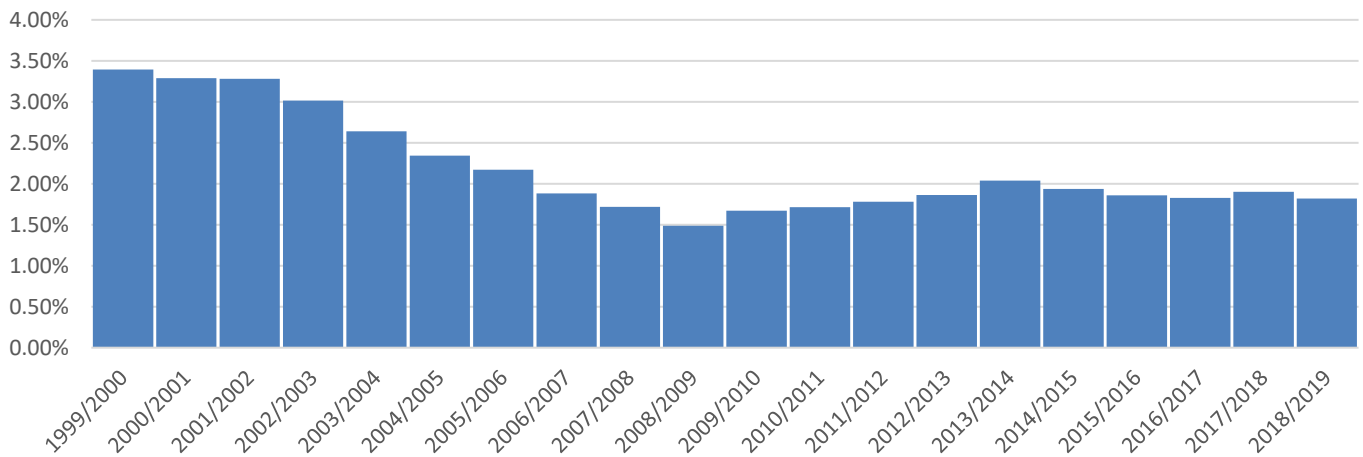
\$167.8m in premiums have been written to the end of June 2019. This is 10% (\$18.5m) lower than the suggested premium pool. The written premium pool is approximately 3.7% lower than the amount written the previous year (\$174.2m).



## WRITTEN PREMIUM RATE IN 2018-19

The written premium rate for Financial Year 2018-19 is 1.82%, approximately 13% lower than the actuary suggested rate of 2.1%.

Premium Rate as % of Wages  
2008-09 to 2018-19







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