



Permit to Self-Insure

Permit Conditions

Self-Insurer: XXXXXXXXX

Permit Number: XXXXXXXXX

Date of issue of Permit: XXXXXXXXX

Document Acceptance and Release Notice

This document is entitled *Permit Conditions – Version 5 – November 2013* of the Permit to Insure – Permit Conditions.

This document replaces:

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The document is a managed document. For identification of amendments each page contains a release number and a page number. Changes will only be issued as a complete replacement document. Recipients should remove superseded versions from circulation. This document is authorised for release once all signatures have been obtained

PREPARED: _____ Date: - -

(for acceptance) Brad Parker
Assistant Director, Rehabilitation & Compensation

ACCEPTED: _____ Date: - -

(for release) WorkCover Tasmania Board

This document takes effect from midnight 31 October 2013.

This document consists of the following parts:

- Part 1: Interpretation;
 - Part 2: Background information; and
 - Part 3: Permit conditions
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Part 1: Interpretation

In this document (including the permit conditions in Part 3), unless the contrary intention appears:

- Expressions defined in the Act have the same meanings when used in this document;
- **Act** means the *Workers Rehabilitation and Compensation Act 1988* (Tas);
- **Board** means the WorkCover Tasmania Board;
- **Business Day** means a day when banks are generally open for business in Hobart but does not include a Saturday, Sunday or public holiday;
- **Corporations Act** means the *Corporations Act 2001* (Cwlth);
- **Permit** means the permit issued to the self-insurer under section 105 of the Act;
- **Permit Conditions** means the permit conditions in Part 3 of this document imposed by the Board on the permit issued to the self-insurer;
- **Self-Insurer** means [*insert name of the permit holder*];
- **Prescribed Person** has the meaning in the *Insurance Act 1973* (Cwlth);
- **Related Body Corporate** has the meaning in the *Corporations Act 2001* (Cwlth);
- **Tasmanian Return to Work and Injury Management Model** means the model from time to time published by the Board for the return to work and injury management of injured workers.

The permit conditions in Part 3 are in addition to the Self-insurer's obligations under the Act.

If there is any inconsistency between the permit conditions and the Act, the Act prevails to the extent of the inconsistency.

Part 2: Background information

The permit conditions are imposed on the permit pursuant to section 107(1) of the Act.

The permit conditions are subject to any variation made by the Board in accordance with section 107(2) of the Act.

A breach of the permit conditions may constitute an offence against the Act. The permit may be revoked or suspended by the Board in accordance with section 111 of the Act if the self-insurer is convicted of an offence against the Act.

Part 3: Permit conditions

Pursuant to section 107 of the Act, the Board imposes the permit conditions set out below on the permit issued to the Self-insurer:

Item A	General Requirements
	Solvency
A1(i)	<p>The self-insurer must advise the Board at anytime if:</p> <ul style="list-style-type: none"> a) it is placed under administration; b) it becomes insolvent; c) it enters into an arrangement with its creditors; d) an application is made for an order that it be wound up or that a provisional liquidator or receiver or receiver and manager be appointed; e) a liquidator or provisional liquidator is appointed; or f) anything having a substantially similar affect to any of the events specified above happens to it. <p>The notice in respect of each of the above matters must be given to the Board not later than 24 hours after the self-insurer becomes aware of the matter.</p>
	Annual financial statements
A2(i)	<p>The self-insurer must give to the Board a copy of the self-insurer's annual financial statements for each financial year, or for any part of a financial year, during which the self-insurer holds the permit. The statements must be given to the Board not later than 3 months after the end of the financial year.</p>

Notification of corporate changes	
A3(i)	<p>The self-insurer must, as soon as practicable, notify the Board in writing if any of the following things occur:</p> <ul style="list-style-type: none"> a) any change, or any proposal to change, the self-insurer's name; b) any change to the self-insurer's status under the Corporations Act, or any proposal to make such a change; c) any change in the directors or secretary of the self-insurer; d) the self-insurer becoming a subsidiary (as defined in the Corporations Act) of another body corporate (as defined in the Corporations Act); e) the self-insurer ceasing to be a subsidiary of another body corporate; f) any change in the control (as defined in the Corporations Act) of the self-insurer; g) any change in the management personnel responsible for the management of the self-insurer's Tasmanian business; h) any other change that affects the ability of the self-insurer to perform its obligations as a self-insurer. <p>In addition, wherever practicable, the self-insurer must give at least 30 days prior notice of the change.</p>
Records management	
A4(i)	<p>The self-insurer must establish and maintain documented policies and procedures for the management of records relating to the self-insurer's activities as a self-insurer for the purposes of the Act. The policies and procedures must be established and maintained in accordance with any guidelines issued by the Board.</p>
Provision of information	
A5(i)	<p>The self-insurer must establish and maintain systems to ensure that the workers compensation information it provides to workers and the Board is current, accurate and up to date. The systems must be established and maintained in accordance with any guidelines issued by the Board.</p>

A5(ii)	<p>The self-insurer must provide information to its injured workers in accordance with the requirements set out in Schedule 1 or as directed by the Board from time to time.</p> <p>Alternatively, should the self-insurer wish to provide its own information to its injured workers, such information must be equivalent to that specified in Schedule 1 and have first been approved by the Board.</p>
A5(iii)	<p>The self-insurer must, as directed by the Board, provide information to its injured workers on any changes to the Act.</p>
Item B	Prudential Requirements
	Excess of Loss Policy
B1(i)	<p>The self-insurer must maintain in force an excess of loss insurance policy providing indemnity for the self-insurer in the event of major loss or disaster, for at least \$50 million for each individual claim or series of claims arising out of a single occurrence.</p> <p>The self-insurer must give to the Board evidence of the terms of the Excess of Loss policy and evidence of payment of the premium for that policy and such other information as required by the Board.</p>
	Financial Undertaking
B2(i)	<p>The self-insurer must provide the Board with a financial undertaking in favour of the Nominal Insurer.</p> <p>The financial undertaking must be provided at such times and in such format as required and approved by the Board.</p> <p>The quantum of the financial undertaking will be as determined by the Board and may be varied annually.</p>

Item C	Injury management
	Return to Work and Injury Management Model
C1(i)	The self-insurer must comply with the principles of the Tasmanian Return to Work and Injury Management Model.
C1(ii)	<p>The self-insurer must apply the following priority when assisting an injured worker to return to work:</p> <ul style="list-style-type: none"> a) first priority: the return of the injured worker to the job held by that worker before the injury, or a modified job at the time of the injury; b) second priority: the return of the injured worker to work in a different job to that held by the worker before the injury but with worker's employer at the time of the injury; c) third priority: the return of the injured worker to work in a similar job to that held by the injured worker before the injury but with a new employer; and d) fourth priority: the return of the injured worker to work in a different job to that held by the injured worker before the injury but with a new employer.
Item D	Claims management
	Management of claims
D1(i)	The self-insurer must establish and maintain documented policies and procedures for the management of claims. The policies and procedures must be established and maintained in accordance with guidelines issued by the Board.
	Changes in entitlements
D2(i)	The self-insurer must provide a written explanation to claimants when step down provisions are applied to weekly payments. The explanation must be provided at least 14 days prior to the change occurring.

	Lump sum settlements
D3(i)	The self-insurer must establish and maintain documented policies and procedures to manage the settlement of claims. The policies and procedures must be established and maintained in accordance with any guidelines issued by the Board.
Item E	Disputes
	Dispute handling
E1(i)	The self-insurer must establish and maintain documented policies and procedures for the management of internal disputes. The policies and procedures must be established and maintained in accordance with any guidelines issued by the Board.
Item F	Exit provisions
F1(i)	The self-insurer must apply to the Board to cease being a self-insurer. An application to cease being a self-insurer must: <ul style="list-style-type: none"> a) be made in accordance with any guidelines issued by the Board; and b) be received by the Board no later than 90 days prior to date by which the self-insurer wishes to cease being a self-insurer.
Item G	Data Reporting Requirements
G1(i)	The self-insurer must engage an independent auditor annually to certify the accuracy of the financial information provided to the Board for the purposes of A2(i) and any other financial information the Board reasonably requires. The audit must be undertaken by the independent auditor following the end of the self-insurer's financial year or as determined by the Board.
G1(ii)	The self-insurer must forward to the Board, a signed audit certificate in a form approved by the Board. The audit certificate must be received by the Board no later than 31 August in each year or as determined by the Board.
G1(iii)	If any financial information provided to the Board is incorrect, corrupt or deficient, the self-insurer must immediately notify the Board. The notice must be given to the Board within 3 Business Days of the error being identified.

G1 (iv)	The self-insurer must take measures to rectify any errors or omissions identified in any financial information provided to the Board.
G1(v)	If the auditor does not certify the accuracy of all of the financial information, then the self-insurer must give the Board revised financial information and obtain and forward a revised audit certificate. The revised financial information and the revised audit certificate must be received by the Board within 14 days following identification of any errors in financial information previously provided to the Board.
G1(vi)	Where new Policy, Coverage or Claims data is provided that relates to a claim received by the Board prior to 1 July 2012 the Data Condition Modifier as specified in Schedule 2 shall apply to the National Insurer Data Specification (NIDS - Version 8).
Item H	Audit requirements
	Audit of management systems
H1(i)	The self-insurer must perform annual self-audits of its management systems for the purposes of verifying compliance with these conditions and with the Act. The annual self-audits are to be conducted within 2 months either side of the relevant anniversary of the date on which the permit was issued or renewed or within timeframes specified by the Board.
H1(ii)	The annual self-audits are to be conducted using an audit tool approved by the Board.
H1(iii)	The annual self-audits of the management systems must be conducted by a competent person who must be able to demonstrate independence of the system being audited.
H1(iv)	The self-insurer must forward the results of the annual self-audit of the self-insurer's management systems to the Board. The results must be forwarded to the Board within 30 days following completion of audit but no later than 9 weeks after the relevant anniversary of the date on which the permit was issued or renewed. The results must be submitted in a form approved by the Board.
H1(v)	The self-insurer's self audit report is to be signed by the self-insurer's chief executive officer or authorised senior manager.
H1(vi)	The self-insurer must submit to, and facilitate, an audit conducted by the Board's auditors. Audits by the Board's auditors may be conducted annually or at such other times as determined by the Board.

H1(vii)	Where opportunities for improvement in the self-insurer's management systems are identified by the Board's auditors, the self-insurer must: <ul style="list-style-type: none"> a) modify its systems to satisfy the improvement identified by the Board's auditors within 60 days of the self-insurer being notified of the improvement; or b) advise the Board within 14 days of being notified of the improvement that the improvement will not be implemented and the reasons for not doing so.
H1(viii)	Where self-insurers hold JAS-ANZ certification the self-insurer must perform annual self-audits in accordance with its JAS-ANZ certification in conjunction with the audit tool approved by the Board.
Item I	Matters relating to the Act
	Occupational Health and Safety
I1(i)	The self-insurer must establish and maintain documented policies and procedures for the management of Occupation Health & Safety. The policies and procedures must be established and maintained in accordance with guidelines issued by the Board.
I1(ii)	The self-insurer must advise the Board when it is served with a complaint issued under the <i>Justices Act 1959</i> by the Regulatory Authority for breaches of the <i>Work Health and Safety Act 2012</i> or the <i>Explosives Act 2012</i> . Notification must be received by the Board no more that 3 days after receipt by the self-insurer of a complaint issued under the <i>Justices Act 1959</i> .
	Injury management co-ordinator
I2(i)	The self-insurer must not impede, obstruct or prevent an appointed injury management co-ordinator from performing his or her functions under the Act.
I2(ii)	The self-insurer must develop and implement an internal dispute management procedure to manage internal disputes concerning the work or recommendations made by an injury management co-ordinator. Such procedures must be available and communicated to an injury management co-ordinator assigned to a worker.

	Accredited service providers
13(i)	The self-insurer must not engage any person or organisation to perform a prescribed service unless such person or organisation is accredited in accordance with the Act.

Schedule 1

Information to be provided at:	Information to be provided to workers:	Recipient of Information	Document ID:
Receipt of a claim	<ul style="list-style-type: none"> Workplace Culture (Injury Management – Making it Work) 	Injured Workers	GB197
	<ul style="list-style-type: none"> Workers Compensation Handbook: The Basics 	Injured Workers	GB010
	<ul style="list-style-type: none"> The Benefits of Returning to Work 	Injured Workers	IS083