

Employer Information

Northern Territory Return to Work Act

This information sheet has been established to provide an overview of workers compensation claims processes under the Return to Work Act (the Act) in the Northern Territory.

Claim Lodgement

Two things are required for a claim to be validly lodged by an employer:

- A fully completed Northern Territory workers' compensation claim form (the worker fills out the first two pages, the employer fills out the third page). The authorisation for medical and personal information must be signed by the worker for the claim to be considered.
- If there is time lost, a workers' compensation statement of fitness for work issued by a medical practitioner is required. The only exception is where dental only treatment is required - a general medical certificate will be accepted in those instances.

The employer must retain a copy of the claim documentation for their own records.

Time Frame for Forwarding Claim to Insurer

It is a requirement under the Act that an employer forward any claim form and associated documents to their insurer within three working days.

Time Frame for Making a Decision on Liability

The Act gives employers 10 working days in which to make an initial decision on liability. The 10 days starts from the day the employer receives the claim form, not when the insurer receives it.

Failure to provide the claim form to your insurer within the required 10 days leads to "deemed" acceptance of the claim.

Therefore, it is imperative that all claim documents are forwarded promptly to your insurer.

However, even if the claim has been deemed accepted you must forward the claim form to your insurer as soon as possible. This will enable your insurer to accurately determine whether the worker's claim should in fact be accepted, or can be disputed.

Liability Decisions

Upon receipt and assessment of a new claim there are three types of liability decisions that can be made:

Accept (whether or not any time is lost).

Payments of benefits are to commence within three working days of the employer being advised by their insurer that the claim is accepted. These benefits include wages for time lost, reasonable medical treatment and rehabilitation expenses.

Defer for up to 56 days. The most common reason for deferral is to undertake factual and/or medical investigations. During the deferral period wages must be paid if there is time lost, within three working days of making the decision to defer accepting liability. However there is no liability to pay medical expenses other than for psychological injuries. On a without prejudice basis medical treatment and/or rehabilitation can be recommended and commenced and this practice is actively encouraged by NT Worksafe to facilitate an earlier return to work and recovery.

Dispute. There must be a valid reason and sufficient, objective evidence to defend the decision to decline a claim. If a claim is disputed the worker will be formally advised in writing of the reason(s) via a Notice of Decision, and their rights to appeal the decision. The employer will also be provided with a copy of this Notice of Decision.

Where weekly benefits are to be paid, the employer must commence payments within three days of being notified by their insurer in accordance with their usual payment cycle. Failure to comply with this requirement may result in financial penalties that may not be indemnified under your policy.

Note that late payment of wages to your worker may incur penalty interest which will accrue until the payment is made, and will require an additional payment to the worker.

To claim reimbursement of weekly benefits the employer will need to provide Allianz with details of wages paid to the injured worker as a result of the workplace injury. If assistance is required, please contact your case manager.

Entitlement to Compensation - Wages Normal Weekly Earnings (N.W.E) Calculation

The workers N.W.E. is defined under the Act as the workers normal remuneration.

Where a worker is remunerated other than a set number of hours each week, N.W.E. is the gross remuneration paid to the worker by the employer liable to compensate the worker;

and any other employer for whom the worker ordinarily works. That is, if the worker has full time employment and also part time employment, earnings from the part time employment must also be included in the NWE calculation.

This applies to employment immediately before the first compensation date in which the worker was engaged in paid employment. This would include workers who perform overtime in a regular and established pattern.

In finalising the worker's N.W.E. calculation an over-award payment, climate allowance, district allowance, leading hand allowance, qualification allowance, shift allowance and service grant are to be included.

The value of up to 35% (unless the worker is a fly in fly out or drive in drive out worker) of the NT's average weekly earnings (published annually) of any electricity, meals or accommodation provided to the worker by an employer in a form other than an amount of money paid or credited to the worker is also to be included in the N.W.E. calculations.

For the first 26 weeks of total and/or partial incapacity the injured worker is entitled to be paid 100% of their N.W.E. (actual earnings plus loss of earning capacity) for any time lost from work, supported by a workers' compensation Statement of Fitness for Work. For the purpose of calculating the 26-week period, any incapacity in a week amounts to one whole week even if this is only an hour or one day.

26 Week Reduction

For any time lost after 26 weeks, the worker is usually entitled to 75% of their N.W.E. (actual earnings plus 75% of their loss of earning capacity). This is payable up to the pension age under the *Social Security Act*, or up to 260 weeks of incapacity (excluding seriously injured workers) whichever comes first, where the worker continues to have a loss of earning capacity as a result of their workplace injury However:

- For low-income earners, there exists a minimum amount (published annually by NT WorkSafe) that may be applicable;
- Depending on a worker's circumstances and capacity for work, the reduction may

be to 90% of their N.W.E.; For high-income earners, there exists a maximum amount (published annually by NT WorkSafe) that may be applicable.

Indexation of N.W.E

Where a worker has reached 26 weeks of incapacity, the N.W.E. at the date of the first compensation date is indexed in accordance with figures provided by NT WorkSafe. Your insurer will advise you of the new wage rate in December of each year.

Entitlement to Compensation - Medical and Other Expenses

Workers with an accepted claim are entitled to have medical treatment and other expenses paid. Examples include medical, hospital and surgical costs, artificial aids, physiotherapy, rehabilitation and reasonable home help including reimbursement for travel to and from medical and rehabilitation appointments.

If you or your worker are in doubt as to what may be covered, please contact Allianz to obtain clarification and prior approval. Any accounts, receipts and other documentation are to be forwarded to Allianz promptly for consideration, and reimbursement of out-of-pocket expenses.

Injury Management and Rehabilitation

Injury management is a collective term that integrates all aspects of an injured worker's medical, vocational and social rehabilitation. Allianz promotes a holistic approach to injury management to achieve a successful recovery and return to work. Your injury management practices should consider all aspects of a worker's injury, including the worker's motivation, financial circumstances, workplace relationships, family situation and social networks.

The goal is to restore the worker to their pre-injury function and duties. The Act obliges employers to take all reasonable steps to provide an injured worker with suitable employment, and as far as is practicable, assistance to redeploy the worker having regard for the worker's education, experience and medical restrictions.

Within the workplace you are encouraged to promote a safe working environment. You must also make your workers aware of your injury management program, which adopts a proactive

approach to workplace injuries enabling return to health and achievement of a timely, safe and durable return to work.

Cancellation / Reduction of Benefits

Common examples of when weekly benefits may be cancelled / reduced are:

- The worker is cleared to return to work on pre-injury duties;
- Medical evidence indicates the worker has recovered from the workplace injury or has ceased to be incapacitated for work;
- Non-compliance by the worker. For example, failure by the worker to reasonably participate in rehabilitation, or if the worker unreasonably refuses to attend or obstructs an independent medical assessment;
- When deeming the worker with an earning capacity, where (a) the worker has demonstrated the ability to earn; or (b) after 104 weeks, an assessment of the worker's most profitable employment confirms what the worker could be reasonably expected to earn.
- The worker fails to provide a Statement of Fitness for Work within 14 days of being requested to do so in writing;
- Payments of compensation were obtained by fraud; or
- A court order the cancellation or reduction.

Compensation payments are usually reduced and/or ceased formally by issuing a Notice of Decision which clearly sets out the reason(s) for the reduction or cessation, and informs the worker of their rights to appeal the decision via the NT WorkSafe managed mediation process.

The Notice of Decision can only be enacted 14 days after the written notice is received by the worker.

Do not cancel or reduce weekly payments unless you are advised to do so by Allianz.