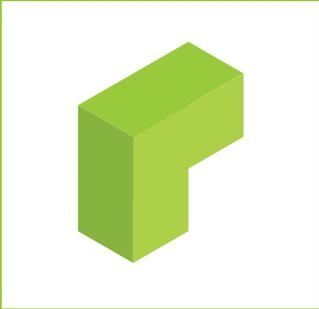


TAKING ACTION

A Best Practice Framework for the
Management of Psychological Claims



ACTION AREA 2

Optimising Claims

Management Teams

ABOUT SUPERFRIEND

PROMOTING WORKPLACE MENTAL HEALTH & WELLBEING

SuperFriend is a national health promotion foundation that helps ‘all profit to member’ superannuation funds to promote and support improved mental health and wellbeing for their members, through the workplace. SuperFriend’s mission is to reduce the incidence of suicide and the impact of mental illness on individuals, employers, workplaces, friends and families.

Created by the Industry Funds Forum, an association whose members are the CEOs of Australia’s largest industry superannuation funds, SuperFriend collaborates with ‘all profit to member’ funds, group life insurers and the mental health sector to facilitate targeted workplace mental health initiatives for members of these funds.

SuperFriend’s work focuses on the development, promotion and facilitation of information, resources, programs and research about mental health and wellbeing. By improving the understanding of mental health and mental illness in individuals and workplaces, SuperFriend influences the policies and practices that foster mentally healthy, supportive work environments.

We collaborate with a range of organisations, including recognised mental health service providers, to facilitate the delivery of mental health information, initiatives, programs and referral pathways to assist ‘all profit to member’ superannuation fund members, employers and staff, along with their associated organisations.

For more information about SuperFriend visit us at www.superfriend.com.au

ACKNOWLEDGEMENTS

We would like to thank Dr Laura Kirby, Director and Principal Consultant Psychologist at CommuniCorp Group, and author of this second Action Area Guide, for her expertise and incredible commitment to this project. The development of this guide was also supported by Dr Anne-Marie Feyer, co-author of the **TAKING ACTION** Framework and Action Area 1 guide, and members of our Insurance Reference Group Sub-Committee. We are extremely grateful for the ongoing support and commitment of our Partner Group Insurers to bringing about positive change that will ultimately help make a real difference for people on claim.

AIA	Joanne Graves	MLC	Leah McLeavy
CommInsure	Vicky Galanis	RGA Re	Linda Winterbottom
HLRA	Sharon Maharaj	Swiss Re	Carly Van Den Akker
MetLife	Pat Cowley	Swiss Re	Nick Mingo
MLC	Karen Hanzal	TAL	Sue Bavecangiovski

CONTENTS

04 TAKING ACTION Framework

04 Finding best practice

05 ABOUT THIS DOCUMENT

05 How to use this document

05 Who should use this document

06 INTRODUCTION

09 BEST PRACTICE IN OPTIMISING CLAIMS MANAGEMENT TEAMS

10 **PRACTICE 1:** *Enhanced Role of the Claims Manager*

13 **PRACTICE 2:** *Competency-Based Recruitment of Claims Managers*

17 **PRACTICE 3:** *Structuring Claims Teams*

22 **PRACTICE 4:** *Training, Developing and Rewarding Claims Managers and Teams*

25 **PRACTICE 5:** *Supporting Claims Management Teams*

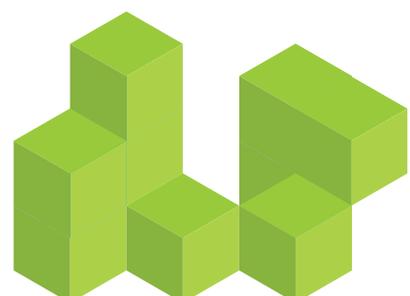
28 Measurement and Evaluation

29 What next?

30 APPENDIX 1: SOFT SKILLS DEVELOPMENT FOR CASE MANAGERS

34 Notes

35 Disclaimer



TAKING ACTION FRAMEWORK

FINDING BEST PRACTICE

In 2012, SuperFriend's Insurance Reference Group proposed a project that would enhance understanding of the experience of people on claim and identify ways to improve that experience, particularly for those affected by psychological illness or at risk of developing a psychological illness after a physical injury. The result was **TAKING ACTION: A Best Practice Framework for the Management of Psychological Claims**,¹ which was launched in September, 2015.

The **TAKING ACTION** Framework provides an overview of the interlinked strategic action areas identified when developing evidence-informed best practices for managing psychological injury claims. Eight key Action Areas were identified:

 **DEVELOPING THE MANAGEMENT PRACTICES FOR PSYCHOLOGICAL CLAIMS**

 **OPTIMISING CLAIMS MANAGEMENT TEAMS**

 **BRINGING EVIDENCE TO TREATMENT AND REHABILITATION**

 **EFFECTIVE DECISION MAKING SUPPORTED BY ANALYTICS AND AUTOMATION**

 **TAILORED SUPPORT FOR THE PERSON ON CLAIM**

 **TRANSFORMING PRODUCT DESIGN**

 **ENGAGING EMPLOYERS IN STAY AT WORK/RETURN TO WORK**

 **RECORDING PROGRESS**

You may notice that the first letter in each of the eight Action Area titles spell out DO BETTER. We believe all organisations can DO BETTER by identifying some priority areas, measuring baseline performance, making changes, measuring performance again, and adjusting action as necessary. Organisations vary in their readiness for change and in their optimal starting point for implementing change. This means that progress towards evidence-informed better- and ultimately best-practice in psychological claims management will occur within a variety of organisational contexts.

To obtain printed and/or soft copies of the **TAKING ACTION** Framework, please visit the SuperFriend website at www.superfriend.com.au. The full rapid review of the literature that informed the development of the Framework can be also be found there.

¹ Available at www.superfriend.com.au

ABOUT THIS DOCUMENT

This document is the second in a series of user-friendly guides that will expand on the Action Areas defined in the **TAKING ACTION** Framework. The aim of this guide is to provide practical advice on HOW better practice in psychological claims management can be achieved through Optimising Claims Management Teams.

HOW TO USE THIS DOCUMENT

This document should be used in conjunction with the relevant Action Area within the **TAKING ACTION** Framework, which provides research evidence and case studies. Key practice areas have been identified by insurers, informed by the research evidence in the Framework, and for each practice area the following are provided:

- ▶ An introduction to the issues, research evidence and innovative practice
- ▶ Target – a statement of focus for this practice
- ▶ Key components – what best practice should look like
- ▶ Examples of relevant actions – examples of how this can be achieved by insurers and their stakeholders.

WHO SHOULD USE THIS DOCUMENT

This guide has been designed to assist claims teams and other staff of organisations across the insurance and personal injury sectors to bring the evidence highlighted in the **TAKING ACTION** Framework to their everyday practices in order to optimise claims management teams and, as a result, better support all people on claim, particularly claims related to psychological illness.

INTRODUCTION

The first in this series of guides, *Action Area 1: Developing the Management Practices for Psychological Claims*,² was published along with the **TAKING ACTION** Framework in September, 2015. This second guide arising from **TAKING ACTION** provides practical advice for achieving best practice in managing psychological claims through optimising claims management teams.

In Action Area 1, strategies for improving the management practices for psychological claims were discussed. Key ways of doing better in this area include practices such as:

- ▶ initiating action or intervening as early as possible
- ▶ having logical and clear processes
- ▶ tailoring the claim management activities to the person's individual situation
- ▶ collaborating with stakeholders
- ▶ ensuring outcome focussed decision making.

The nature of the **TAKING ACTION** Framework means that there is a reliance on interdependencies between each of the Action Areas. One of these interdependencies is the need for effective claims management teams to support best practice claims management – which requires having the right individuals in the claims management role, having an effective team structure that is well-supported by skilled team managers, as well as organisational practices that provide appropriate resources and structure for the claims management practices to be implemented by teams and individuals.

To achieve best practice in optimising claims management teams, steps need to be undertaken at various levels:

- ▶ *individual (Claims Manager) and team*
- ▶ *the broader organisation*
- ▶ *the sector as a whole.*



Diagram 1: Macro, Meso, Micro levels of change in a customer-centric system

² Visit www.superfriend.com.au to obtain a copy

Although action is required at all three levels, not all organisations are likely to start in the same place, or to progress at the same pace. Likewise, not all of the best practice strategies described in this Action Area will be immediately actionable or realistic for all organisations. It is important that organisations identify steps that they can undertake, building on existing strengths and opportunities, and use these steps to generate momentum towards achieving best practice claims management teams.

It is also important to recognise that both psychological and physical claims should be managed with these best practices in mind. Research suggests that all claims carry a risk of presenting with, or developing, a psychological component. Best practices mitigate the potential risks associated with any claim, including the potential for negative impact on someone's psychological functioning due to the claims process, as well as the potential for psychological deterioration over time.

Optimising claims management teams requires a number of current challenges to be addressed, including:

- ▶ the need to **re-define the Claims Manager role** to encompass the soft skills and psychological competencies required of individuals working within claims teams. This also translates to the need for changed recruitment practices, training and development, as well as the support tools and resources made available to Claims Managers
- ▶ reforming the measurement and **evaluation of claims management teams**, to align with the enhanced role and competencies required and the qualitative components of managing the claim. Currently, claims management teams are typically measured against quantitative outcomes that don't reflect the way in which claims are managed, and the personal skills required to make a difference to the Person on Claim
- ▶ the need to determine the best **way in which to structure teams**, depending on the existing skills, resources and capabilities of claims management teams and the demands on the team. Team structure in and of itself is not a determinant of best practice claims management; best practice claims management teams can work in a variety of structures. However, it is important to consider what structure best suits a particular team and/or organisation to achieve other areas of best practice
- ▶ empowering Claims Managers to be proactive, seek expert evidence-based advice they require to then make informed decisions, as well as to take ownership in managing case demands and workloads. Currently Claims Managers often play a relatively passive processing role in decision making, in disability management, and in relation to their personal caseloads.

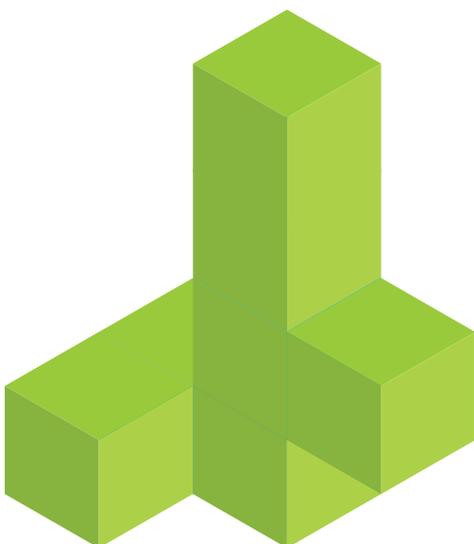
The evidence-based strategies presented in Action Area 2 aim to support organisations to systematically incorporate best practice into everyday operations and address the existing challenges to providing practical options for optimising claims management teams. It is important to understand that the goal of the strategies described in this guide is a desired future-state. A **process of change** is required that recognises an organisation's readiness for change, where the organisation is currently, and what is required to achieve best practice. Organisations will need to reflect on current practices at the individual, team, and broader organisation levels, identify and leverage current strengths, look for opportunities to implement small changes, and build on progress over time.



As part of this transition process towards best practice, it's important that **organisational** commitment to this future-state is gained, as this commitment will underpin all of the activities necessary to optimise claims management teams. Regardless of the level of the broader organisational commitment, it is important to start somewhere. The 'where to start' depends on what is already in place, what current strengths are evident, where you can achieve a 'quick win' (in order to gather momentum), and what practices and support tools already exist.

The goal may appear somewhat aspirational at this point in time, but taking (small) steps wherever possible will help shift momentum and begin the change journey in an upward-evolving process that supports optimal claims management teams and overall practices.

As with the **TAKING ACTION** Framework Action Areas, the strategies for optimising claims management teams presented in this guide are not in chronological in order – they are a set of tools that offer opportunities for places to start. The message is one of "DO BETTER".



BEST PRACTICE IN OPTIMISING CLAIMS MANAGEMENT TEAMS



Drawing on the evidence in the **TAKING ACTION** Framework, five key practices were identified for Action Area 2. Implementation of these practices relies on recognition of the interconnected ecosystem within which claims management operates. Change will need to occur at each level of the ecosystem: individual Claims Managers, claims management teams, and the broader organisation. As discussed in the **TAKING ACTION** Framework, to some extent organisational change will be supported by broader industry changes, as industry standards move towards best practice claims management teams.

The five key practices identified across the different levels of an insurer organisation are:

1. Enhanced Role of the Claims Manager
2. Competency-based Recruitment of Claims Managers
3. Structuring Claims Teams
4. Training, Developing and Rewarding Claims Managers and Teams
5. Supporting Claims Management Teams

PRACTICE 1

ENHANCED ROLE OF THE CLAIMS MANAGER

Central to the effective management of all claims is the individual undertaking the claims management role. To align with expectations for best practice claims management practices (see Action Area 1: Developing the Claims Management Practices for Psychological Claims), the role of Claims Managers needs to be re-defined and enhanced. At present, Claims Managers are often restricted in their ability to provide proactive management, instead taking a relatively passive processing role in the management and decision-making for a claim. In contrast, empowering a Claims Manager to be proactive in their decision-making and acting as a single point of contact for the Person on Claim is regarded as best practice. A best practice Claims Manager is empowered to provide end-to-end management of the claim, and is proactive in addressing the challenges facing the Person on Claim in order to optimise their outcomes. The enhanced role positions Claims Managers as an active member of the claims process who can influence the claim outcomes.

The need for enhanced focus on the interpersonal skills and attributes of Claims Managers is also recognised in best practice evidence. Current role requirements are largely defined by the technical expertise and experience in the process-based aspects of claims management. The enhanced role of the Claims Manager also focuses on defining appropriate 'soft skills'. These are skills that emphasise the emotional intelligence and empathy of a Claims Manager and their ability to have high quality interactions with all stakeholders involved in a claim. The enhanced role of the Claims Manager should also reflect competency in:

- ▶ setting expectations
- ▶ empowering the Person on Claim
- ▶ educating and influencing Return to Work (RTW) stakeholders
- ▶ implementing sound decisions to influence RTW outcomes.

The need for Claims Managers to have a sound understanding of mental health and the ability to communicate with individuals who may have mental health concerns is also identified as essential. To this end, best practice indicates that the role of a Claims Manager requires a more balanced definition of the necessary knowledge, skills and attributes for successful claims management, recognising both the technical and the interpersonal competencies. Technical (eligibility/liability/financial/legal) competencies are necessary, but are insufficient for best practice claims management. An enhanced role definition should incorporate both the expected technical skills, as well as the 'soft skills' necessary to support more active and proactive management of a claim. The enhanced role definition also requires role descriptions to balance these two aspects of claims management and eliminate components that detract from a focus on

actively managing claims. The current skew in Claims Managers' role definition towards technical requirements can detract from the necessary emphasis on a Claims Manager's ability to provide quality service and engage with the Person on Claim in a way that supports the claims management practices discussed in the Action Area 1 guide.

TARGET

Enhance the Claims Manager role definition to reflect active management of psychological claims, rather than passive processing, and recognise a balanced combination of knowledge, skills and attributes that contribute to both technical and soft skill requirements.

KEY COMPONENTS

- ▶ Claims Manager role is defined to reflect:
 - a single point of contact for the Person on Claim
 - project management with end-to-end management of claims
 - a customer-focussed approach
 - an active (rather than passive) role in disability management and decision-making.
 - ▶ Soft skill capabilities that contribute to the quality of claim management and emphasise the need for quality interpersonal interactions are highlighted
 - ▶ Soft skills and attributes of a Claims Manager are balanced with the technical and knowledge-based requirements for the role
 - ▶ An understanding of the distribution of responsibilities in a collaborative team environment, in which specialist expertise is utilised to help inform decisions concerning disability management.
- ## EXAMPLES OF RELEVANT ACTIONS
- ▶ Review and revise current role definition and job descriptions for the Claims Manager role to include expectations for greater decision-making, control of the claim from end-to-end, and active decision-making in the disability management of the claim
 - ▶ Ensure role expectations and job descriptions include the emotional intelligence qualities, soft skills, and interpersonal capabilities required of Claims Managers. Requisite soft skills should include and address: motivational interviewing, supportive communication, negotiation, empathy, self- and other-awareness, and project management. Claims Managers should also develop the capability to identify when they need to escalate a matter or seek advice from another party, how to engage with the Person on Claim at the commencement of a claim, and how to set expectations up front – which requires skills beyond the ability to simply follow a claims form or “tick-a-box”. Consequently, recruitment and training practices would also need to be reviewed (see *Practice Area 2: Competency-Based Recruitment of Claims Managers and Training* and *Practice Area 3: Developing and Rewarding Claims Managers and Teams*)
 - ▶ Interpersonal skills defined for the Claims Manager role should highlight the interactions required between all stakeholders involved in the claims process, in particular with the Person on Claim
 - ▶ Develop a capability framework that comprehensively reflects both the requisite range of technical and soft skills for Claims Managers. This framework should include the balance of knowledge, skills and attributes for a ‘rounded’ Claims Manager, as someone who is able to holistically manage the claim and provide support to the Person on Claim

- ▶ Consider a matrix of distributed complementary responsibilities within and across teams for particular cohorts of claims, to enable Claims Managers be less focused on financial management and to take a more dedicated person-centred approach where complex psychological issues may be present (also see *Practice Area 3: Structuring Claims Teams* for more information about the possible distribution of responsibilities)
- ▶ Develop processes that enable Claims Managers to be a central point of contact, equipped to provide end-to-end management of a claim. This may require the reorganisation of work flows and procedures to allow for more central management of a claim (also see *Practice Area 3: Structuring Claims Teams*). Implementing decision support information and tools that enable Claims Managers to be more proactive in the management of claims and able to see the claim through to its end is also critical (see *Practice Area 5: Supporting Claims Management Teams*)
- ▶ Develop processes that enable Claims Managers to have greater understanding of more effective portfolio management techniques. Claims Managers should be supported to determine when their caseload is too high or too demanding and look for opportunities to provide new client allocations to other Claims Managers. This requires the Claims Managers to have reasonable insight into when they may not be coping with case demand, and as such is another self-management capability that an enhanced Claims Manager role should reflect. It also requires Claims Team Managers to be able to support Claims Managers to take greater control over their caseload (see *Practice Area 5: Supporting Claims Management Teams*).

CASE STUDY

Key Informant: Derek Vine, Group Operations Manager, AIA Australia Limited

Around 3 years ago AIA made a strategic choice to recruit allied health professionals as claims assessors to supplement the technical knowledge of existing Claims Assessors. The aim was to marry the existing technical expertise with qualified medical professionals who had experience in supporting return to work programmes. Internally, this created a shared learning environment where allied professionals were able to learn technical skills from existing expertise and vice versa in terms of medical knowledge and a focus on assisting with return to work. The results have been outstanding and now approximately 1 in every 2 people on claim have a return to work outcome, and the overall percentage has increased by around 50% in the 3 years since AIA embarked on this journey.

PRACTICE 2

COMPETENCY-BASED RECRUITMENT OF CLAIMS MANAGERS

Getting the right person in the right role is not a strategy that is unique to the psychological injury claims management area – it is important for all roles in all workplaces. However, the impact on psychological injury claims when Claims Managers lack the requisite interpersonal and soft skill capabilities can be detrimental to the Person on Claim's recovery, the claims process, and overall outcome of the claim.

Technical expertise and knowledge can be taught, but attitude and psychological suitability tend to be far more person-specific, and therefore more difficult to “train”. Even so, soft skills and attributes suitable for Claims Manager roles can be shaped and developed through appropriate development (see *Practice 4: Training, Developing and Rewarding Claims Managers and Teams*).

A valuable strategy for ensuring good fit in the Claims Manager role is recruiting individuals that possess the competencies described in the enhanced role in Practice 1. Evidence suggests that it is more important for employees to feel they fit their job as opposed to being assessed to match a particular job. Where the recruitment process has assessed a person's fit for a role (based on the overall balance of knowledge, skills and attributes), it has resulted in enhanced job performance and overall productivity, greater job satisfaction, increased retention of skilled staff, and enhanced recruitment success.

Best practice Claims Managers' competencies include:

- ▶ *Negotiation*
- ▶ *Dispute resolution*
- ▶ *Decision-making*
- ▶ *Communication*
- ▶ *Assessment and risk identification*
- ▶ *Planning for RTW*
- ▶ *Implementation of strategies*
- ▶ *Monitoring and review*
- ▶ *Positive goal setting and setting expectations.*

An emphasis on recruiting for soft skills and emotional intelligence for the Claims Manager role is important, but becomes even more essential for Claims Team Managers. Being people leaders, team managers have a heightened responsibility for the wellbeing and productivity of their Claims Managers and play a critical role in moderating the impact of stress on individuals in the workplace. It is crucial that team managers have the ability to role model the enhanced best-practice behaviours expected of their team, and support team members when they are experiencing challenges with People on Claim and the claim management process. Promoting the right people into the team manager role is a key strategy for achieving best practice in managing psychological claims.

TARGET

Recruit Claims Managers for attitude, train for skill – recruit on a strategic balance of knowledge, skills and attributes required for proactive management of psychological claims.

KEY COMPONENTS

- ▶ Job descriptions for current and potential Claims Managers reflect the enhanced Claims Manager role
- ▶ Claims Managers are recruited for their soft-skill and emotional intelligence competencies and then taught the technical skills required for the job
- ▶ Recruitment processes for Claims Managers consider psychological job fit and include an experiential component
- ▶ Claims management team managers are recruited based on emotional intelligence and soft-skill capabilities balanced with technical capability, and job descriptions and role expectations reflect this focus.

The UK Branch of Swiss Re Europe S.A. utilises a model of claims assessors that sees them as an expert in the Person on Claim and their circumstances and an active player in motivating the Person on Claim and liaising with others, especially the employer. Consequently, this organisation is moving towards formalising this change from the traditional medical model in Claims Manager job descriptions. Through this process it is expected that some claims assessors will leave during the transition toward a more active approach to claims management, and those more interested in this active approach will move into the role.

EXAMPLES OF RELEVANT ACTIONS

- ▶ When recruiting, utilise job descriptions that are revised to reflect the capabilities and competencies required of the Claims Manager role, in accordance with the enhanced role described in Practice 1
- ▶ Determine the psychological competencies required of the role. Job analysis can help to evaluate the interpersonal/emotional, physical and knowledge competency requirements of the job, and complementary values and interests

Psychological competencies are likely to include the:

- ▶ level of emotional intelligence required for the role, which are abilities and capacities to manage emotions and relationships
- ▶ ability to effectively solve challenging interpersonal problems at work, which should include: self-awareness, impulse control, persistence, self-motivation, ability to set expectations and boundaries, and empathy.

- ▶ Based on revised job descriptions and psychological competency assessments, revise the organisational competency framework to reflect qualitative competencies, balanced with the technical capabilities, as aligned with Practice 1
- ▶ Consider the inclusion of psychometric assessment in the recruitment process to assess for personal attributes complementary to the Claims Manager role. Note that psychometric assessment does not replace the need for well-structured interviews to assess for demonstration of desired behaviours and soft skills
- ▶ “Recruit for attitude, train for skill”. Ensure that hiring and promotion decisions consider interpersonal/emotional competencies in addition to technical skills and knowledge. Develop behavioural-based interview techniques that look for the qualitative and personal qualities, and emotional intelligence capabilities of Claims Manager candidates, rather than focussing on technical expertise.

Tips for Interviewing

Interviews need to balance technical and soft/behavioural skills, remembering that for the most part, technical claims management skills can be taught or learnt on the job. The role of the Claims Manager needs to encompass a holistic approach to assisting the Person on Claim, in order to maximise their recovery and return to ‘good’ work.

Behavioural interview questions should take a case study approach where the interviewee is asked to respond to a situation in which the following behaviours could be demonstrated:

- ▶ *Planning the conversation (i.e. anticipating road blocks and being prepared)*
- ▶ *Empathy*
- ▶ *Active listening*

- ▶ *Plain talking (i.e. use of clear, non-technical language)*
- ▶ *Using open questions*
- ▶ *Expectation setting*
- ▶ *Summarising the call/conversation to check for understanding.*

An example behavioural-based interview question to help assess these behaviours from a Claims Manager candidate may be: “Tell me about a time when you had to convey complex information to someone who was experiencing high levels of distress and had interpersonal difficulties. Explain to me how you communicated this information and how you made sure the person(s) understood.”

Another important skill required in Claims Management is the ability to build relationships. A behavioural-based interview question may ask: “Tell me about a time when it was critical, but very difficult, for you to build a relationship with an individual or a group.”

In this scenario, the candidate’s response would be assessed for the following, in addition to the above behaviours:

- ▶ *Rapport building techniques*
 - ▶ *Addressing/acknowledging concerns*
 - ▶ *Diffusing emotion (where appropriate)*
 - ▶ *Following up in a timely fashion (or within agreed action timeframes).*
-

- ▶ Update all individuals engaged in the hiring process to ensure an understanding of the skills required for the enhanced role of Claims Managers. This is likely to include updating human resources (HR) personnel, and senior and line managers, and developing their ability to adopt more behavioural-based recruitment measures
- ▶ Develop opportunities in the recruitment process for experiential assessment, or realistic job previews that allow Claims Manager candidates to understand the realistic requirements of the role. Realistic job previews enable applicants to make an informed decision about whether they fit the role and includes information about both the positive and the challenging aspects of the job. They also help recruiters to determine how well the candidate fits in the context of the actual role, rather than in more abstract terms. This is particularly important for the enhanced role of the Claims Manager and the demands for more person-centred and proactive claim management
- ▶ Consider alternative methods for recruiting Claims Managers, and drawing from wider talent pools. For example, promote the Group Life Insurance sector as a desirable job destination at graduate or career fairs or across the rehabilitation industry. Ensure the recruitment strategy targets diverse groups, from graduates through to mature age employees, from a range of backgrounds – especially multi-disciplinary backgrounds, including rehabilitation, social work, and mental health work
- ▶ Develop procedures for the recruitment and promotion to management roles in claims management teams that include soft skills capabilities, as well as professional or technical expertise. In addition to the capability to role model the Claims Manager skills and attributes, team managerial soft-skills should include: mentoring, supportive leadership behaviours, recognising when individuals and teams are struggling, supportive communication, and debriefing
- ▶ Workplace culture needs to be assessed, modelled and built to ensure the concept of emotional intelligence is understood, valued and used as a criterion for recruitment, selection, recognition/reward and promotion for all relevant roles – both for Claims Managers and managers of claims management teams.

There are many forms a realistic job preview can take, but an example might be asking the candidate to role play a telephone conversation with a person with a psychological claim, or providing an overview of ‘a day in the life of a Claims Manager’ during the recruitment process, or a case study requiring candidates to describe their behaviours and response. The realistic job preview may also involve potential co-workers and other colleagues in the selection process to determine fit within the claims management team.

PRACTICE 3

STRUCTURING CLAIMS TEAMS

Determining the optimal structure of a claims teams is dependent on a number of factors, with multiple models and structures having been utilised successfully in different organisations across the best practice evidence. Some best practice research advocates for dedicated psychological claims teams, however Australian insurers have indicated that experiments with the dedicated team structure has led to a burn out of Claims Managers. Given that psychological claims often arise secondarily to physical claims, and that psychological claim rates are on the rise, it can be argued that all Claims Managers should manage psychological claims and be equipped to do so. However, the case has also been argued for claim segmentation according to staff skill and capability.

The nature of the optimal claims team structure is likely to be organisation specific. Therefore, it may require some trial and error by organisations in determining which team structure best fits the need and demands of their workforce. The same organisation may have a number of team structures across different divisions, depending on the specific requirements or workforce capabilities. The team structure also needs to consider what supports are available to enable successful implementation. For example, a dedicated team may require appropriate organisational and decision supports for more proactive management, whilst a mixed team may require access to specialist support to actively manage the claim. Although the model of claims management teams may differ, best practice evidence supports the need for specialist expertise to be made available to Claims Managers. Specialist expertise should encompass multiple professionals from more than one discipline, including psychiatrists, social workers, clinical psychologists, rehabilitation and return to work consultants.

Support by specialists should help

Claims Managers:

- ▶ *Determine eligibility (undertaken by the Insurer or third party)*
- ▶ *Screen and triage*
- ▶ *Ascertain diagnosis, treatment and prognosis*
- ▶ *Assess occupation and other social situations*
- ▶ *Determine functional impact of psychological injury*
- ▶ *Develop RTW strategy*
- ▶ *Assist with rehabilitation goals and plans.*

Claims management teams also require a healthy and supportive work environment to help drive performance towards best practice, particularly given the unique psychosocial pressures inherent in working in this field. A healthy claims team structure equips Claims Managers to effectively undertake the interpersonal skills required in the role. In addition, processes and supervision also empower Claims Managers to take proactive steps in disability management. Claim segmentation in accordance with staff skill and capability is also considered to be critical to effective claims management. This is contrasted with an unhealthy claims team structure, in which claims are typically randomly allocated and a passive and reactive approach is taken to disability management.

A supportive and healthy team culture can also be strongly influenced and driven through supportive behaviours demonstrated by the team manager. When managing psychological claims, Claims Managers are regularly interacting with individuals who may be in distress or emotionally volatile and they may require support and empathy during the claims process. Ensuring that the team manager possesses the capacity to show concern and empathy for team member needs is critical to moderating the impact of stressful interactions and role demands on the Claims Manager, and developing a healthy work environment.

EXAMPLE – HEALTHY VERSUS UNHEALTHY CLAIMS MANAGEMENT TEAM STRUCTURE

Struggling Claims Manager (CM) potentially leading to poor experience for the Person on Claim.

- ▶ **Profile of affected Person on Claim:** History of self-harm, difficulties regulating emotion, poor distress tolerance skills, interpersonal difficulties. Person on Claim is highly anxious and emotionally unpredictable/unstable.
- ▶ **Claim Profile:** New claim, initial assessment completed and CM to make call to advise Person on Claim of 1 month wait until initial payment can be made.

Healthy Claims Team:

- ▶ Team manager with correct skill set who is able to identify changes in CM's demeanour and performance and sets out to understand the issues which are impacting the CM
- ▶ Dedicated specialist claims team with skilled CMs with diverse specialist claims and BPS/ Medical knowledge, proactive approach to claims management
- ▶ Supportive and enabling working environment – robust training and development, effective authority matrix (focusing on individual CM's strengths), clear claims processes and supporting technology, clear business risk appetite and customer centric philosophy
- ▶ Robust claims triage to ensure appropriate allocation of claims cases to CM with correct capabilities and capacity.

Unhealthy Claims Team:

- ▶ Traditional team structure
- ▶ Absence of effective claims triage – claims allocated randomly
- ▶ CMs do not have the right skill set, training and development to be managing mental health claims
- ▶ Passive approach to claims management, reactive to claims complaints
- ▶ Team manager recognises drop in performance and decides to manage the performance issue using traditional negative reinforcement technique.

Person on Claim's Experience with CM from Healthy Claims Team Structure:

- ▶ Person on Claim is initially highly distressed and angry as she has bills to pay and sees the month delay as catastrophic and that the insurer believes she is lying about her circumstances/illness. This results in aggressive behaviour and verbal abuse to CM
- ▶ The CM is empathetic, does not personalise the abuse and acknowledges the Person on Claim's anger under the circumstances
- ▶ CM remains calm and is able to advise Person on Claim of waiting period and reason benefit is paid a month in arrears. CM is also empowered to give the Person on Claim options if distress persists and they are in the best interest of the Person on Claim's ongoing financial and mental wellbeing – e.g. advance payment, offer support services etc. CM offers the Person on Claim contact details so they can be contacted if the Person on Claim requires further support
- ▶ The result is that the Person on Claim is able to calm themselves and process the information provided – they are satisfied with the outcome and have started to build a trust-based relationship with the CM.

Outcome:

- ▶ Claim proceeds with minimal issues that are circumvented early by the claims team and the Person on Claim returns to work in 9 months. CM continues to work effectively in the team and gets satisfaction from their work, and Person on Claim outcomes achieved.

Person on Claim's Experience with CM from Unhealthy Claims Team Structure:

- ▶ Person on Claim is initially highly distressed and angry as she has bills to pay and sees the month delay as catastrophic and that the insurer believes she is lying about her circumstances/illness. This results in aggressive behaviour and verbal abuse to CM
- ▶ CM is reactive, takes the Person on Claims behaviour/comments to be a personal attack and takes an instant dislike to the Person on Claim affecting their ability to be impartial. CM labels the Person on Claim negatively and just wants to find a way to get out of the interaction
- ▶ The CM reflects the Person on Claim's attitude towards them and begins to treat the Person on Claim with disdain and with distance. The CM is not able to communicate information to Person on Claim effectively or to their satisfaction. CM is unable to contain the Person on Claim's emotional response and is not empowered to give them any other options, so refers the Person on Claim to their manager
- ▶ The emotions of both the Person on Claim, CM and their manager escalate. The manager is reluctant and resentful of offering support to the CM as they are not already performing to the standards required. This resentment is communicated to the CM and is evident by their demeanour when communicating with the Person on Claim
- ▶ The Person on Claim rings frequently in obvious distress, is often verbally abusive and threatens to self-harm. The Person on Claim's mental health further deteriorates due to the stressors related to the claims process and ensuing financial difficulties. This is compounded by the increased distress the Person on Claim experiences following contact with the CM.

Outcome:

- ▶ Person on Claim's condition deteriorates and they remain on claim until end of benefit period, subsequently lodging a TPD claim. CM goes on stress related leave and lodges a workers compensation claim.

TARGET

Structure claims management teams to enable empowered and proactive decision-making, with appropriate supervisory and specialist support.

KEY COMPONENTS

- ▶ Claims Managers are supported by in-house and external specialists to help achieve progress with a claim and decision making around disability management
- ▶ The structure of the team may depend on the division or work demands, however best practice suggests that the Claims Manager is supported with expert advice and in-house support roles (such as Rehabilitation Consultants and Chief Medical Officers)
- ▶ The Claims Manager is clear on the distribution of responsibilities between themselves and the internal and external advisors and stakeholders
- ▶ The organisation may consider the benefits and impacts of either a dedicated or traditional (matrixed) model of team structure
- ▶ Claims Management teams are diverse and engage Claims Managers from a breadth of experience and backgrounds
- ▶ Claims are allocated in accordance with the capacity/complexity/skill of the Claims Manager and Claims Managers are empowered to proactively manage caseload versus workload versus opportunity for proactive management of claims.

EXAMPLES OF RELEVANT ACTIONS

- ▶ Review existing team structures to enable Claims Managers to act as both a single point of contact and a project manager, with specialist expertise and decision-making support provided by technical experts. To do so may require changing existing workflows or creating decision-support trees to inform Claims Managers when to contact a specialist to get advice. Establish and document existing structures and workflows, in consultation with Claims Managers, to identify opportunities to reduce multiple contact points. Communicate and educate Claims Managers on changes in workflow and structure. Ensure communication for people on claim reflects the Claims Manager as their single point of contact
- ▶ Build and engage a network of both in-house and external specialists to provide advice, guidance, and support to Claims Managers to make decisions around disability management, particularly with respect to psychological injury expertise. The specialists should be engaged on the basis of technical expertise, rather than the soft skills of the Claims Managers. The network should enable close collaboration between Claims Managers and internal Rehabilitation Consultants, with the Claims Manager possessing ultimate responsibility for Person on Claim outcomes. There are three potential models for this collaboration: Rehabilitation Consultants aligned within claims teams; Rehabilitation Consultants in a dedicated rehabilitation team; Rehabilitation Consultants in a team of specialists supporting claims teams (see also *Action Area 3: Bringing Evidence to Treatment and Rehabilitation*)
- ▶ Re-distribute some functions, such as eligibility determinations, utilisation reviews, and financial management that may be either increasingly automated or transferred to a dedicated unit or third party

- ▶ Encourage Claims Managers and teams to refer to specialists for advice and encourage a collaborative team culture. Leaders can support team members to seek guidance from internal experts, encourage Claims Managers to make proactive decisions on the basis of seeking guidance, and assist regular communication between Claims Managers and in-house specialists to help drive collaboration
- ▶ Monitor progress and make appropriate changes as necessary to achieve the optimal structure for a particular team/area/division/organisation. The choice of structure will depend on the demands and responsibilities of divisions within the organisation, and the same organisation may have a number of different structures.
- ▶ Consider workload allocations and measurement tools for duration and outcomes that take into account the nature of the portfolio. For example, a dedicated psychological claims team will have different durations and outcomes than a team focusing on early intervention/musculoskeletal claims. As such, a dedicated psychological claims team may require a smaller caseload, given the inherent complexity of psychological claims, and consideration should be given to the consequences for workforce planning
- ▶ When structures are changed or solidified, ensure all stakeholders understand their responsibilities in the new structure. Roles and responsibilities should be documented and communicated to all stakeholders. This includes the responsibilities of the many internal and external advisors, including Assessors, Medical Practitioners, Rehabilitation Consultants (internal and external), and other key stakeholders
- ▶ Regardless of the structure, establish teams with consideration given to the diversity of the team. Consideration of individual team members and how they contribute collectively, including their background, their expertise, and their values, should be managed during the process of changing team structures
- ▶ Enable decision-making at the Claims Manager level, in conjunction with team managers, to determine when caseload or workload is too high. Empower Claims Managers, through support and communication, to determine when their caseload/workload is having an impact on the quality of the process for the Person on Claim. Ensure reporting mechanisms are clear so that Claims Managers know to whom, and how, they report their caseload/workload management. This reporting should feed into the team and organisation workflow management system
- ▶ Recruit, train and develop team managers for their capacity to demonstrate supportive leadership behaviours. Develop team managers' skills in debriefing, identifying when Claims Managers may be struggling, having supportive conversations with Claims Managers, and assisting Claims Managers to seek support, advice or resources. Train managers to identify when quality steps in the claims management process are being missed to ensure that high quality (over high volume) services are delivered. The team manager should ensure workload, workflow and outcomes information is fed through the organisation's or team's feedback loop to inform budget and forecasts for new staff.

PRACTICE 4

TRAINING, DEVELOPING AND REWARDING CLAIMS MANAGERS AND TEAMS

For best practice claims management teams to be established, what is required for the role, what is provided to individuals in the role, and what is measured and rewarded must all be aligned. Workforce training and development is a core element in ensuring proactive management of a claim and support for the Person on Claim. With the enhanced role of the Claims Manager defined, it is important that current Claims Managers are provided with training and development that supports them to develop the required competencies.

Training should focus on the development of a claims workforce that knows what they need to focus on, which is ultimately the best possible recovery for the Person on Claim, and removing any impediment to this focus. For many this will mean a focus on the development of Claims Managers soft skills and competencies in setting expectations, empowering the Person on Claim, educating and influencing RTW stakeholders and implementing sound decisions to influence RTW outcomes. Additionally, Claims Managers should develop a sound knowledge and understanding of psychological injury and illness, and the biopsychosocial factors that impact individuals and the claims process. A number of frameworks and training standards have been developed for the optimisation of best practice claims management teams. *Appendix 1* presents an example of soft skills development for Claims Managers.

To sustain the development of knowledge and skills, Claims Managers require ongoing support, mentoring, supervision, and performance management that is based on the enhanced role expectations. Claims management team managers require the skills to mentor and support

the development of these competencies, in addition to having the ability to debrief Claims Managers following challenging aspects of the role. When managing psychological claims, Claims Managers may experience challenging interactions with individuals and be required to support Persons on Claim during times of vulnerability. Being supported to continually develop skills to handle these interactions, as well as develop personal resilience strategies, is critical for Claims Managers in order to optimise outcomes for all parties concerned.

Expanding the measures and indicators that determine Claims Managers' performance may be required to improve the realistic assessment of claims management team outcomes. For example, surveys of the needs and perceptions of Persons on Claim offers one source for developing performance indicators that take into account individual outcomes. Satisfaction surveys for Persons on Claim, and consultation with families (with consent) and other claim stakeholders, can also provide useful data to determine the quality of the Claim Managers' contribution to claims management outcomes.

TARGET

Training, professional development and performance management supports the range of skills and knowledge required of Claims Managers to be proactive managers of claims, rather than passive processors.

KEY COMPONENTS

- ▶ Claims Managers are provided with training that targets the enhanced role of claims management teams (see *Practice 1: Enhanced Role of the Claims Manager*), which includes developing an understanding of psychological illness and injury and the biopsychosocial model
- ▶ Claims Managers undertake technical skill development, aligned with current best practice standards/training frameworks
- ▶ The enhanced role of the Claims Manager is rewarded through quality assessment of claims. Claims Manager performance is assessed on the basis of behaviours and quality management of claims
- ▶ The customer feedback cycle is used to support the development of case management teams.

EXAMPLES OF RELEVANT ACTIONS

- ▶ Enhance training, development and performance management programs for the Claims Managers within the organisation, consistent with the competencies described in Practice 1. This will include a greater focus on soft skills training, such as active listening, motivational interviewing, and negotiation, especially for Claims Managers who are currently working in the role and do not currently have the enhanced role skills. Training in project management, including coordinating resources effectively – particularly if any team structure changes are made – can further support the development of individuals in the enhanced Claims Manager role

To enable Claims Managers to perform the enhanced role, additional training and development will need to include:

- ▶ *Biopsychosocial model of health*
- ▶ *Psychological illness and injury:*
 - *common mental illnesses and connections with physical health*
 - *how diagnoses are made*
 - *best practice treatment for psychological illnesses*
 - *communicating with individuals impacted by psychological illness*
- ▶ *Protocols or guidance on steps to take in the event a Person on Claim talks about suicide or self-harm*
- ▶ *Return to work (RTW) approaches and their role in screening for rehabilitation and RTW*
- ▶ *Motivational interviewing skills*
- ▶ *Person-centred approaches*
- ▶ *Long range planning and project management tools*
- ▶ *Use of informal and community supports*
- ▶ *Managing expectations and setting boundaries*
- ▶ *Understanding the needs of people from different cultures.*

-
- ▶ Establish training that develops Claims Managers' understanding of psychological health, how to use the biopsychosocial model of health to assess claim profiles, and the potential for psychosocial flags arising in claims. An example of a training standard that has been implemented is the Financial Services Council's 'Mental Health Education Program and Training' which specifically addresses perceived discrimination experienced by customers with a history of mental illness when seeking to enquire about

or purchase life insurance products. Training covers a general awareness and understanding of various mental illnesses, an understanding of the experience of mental illness, and communication skills for interacting with customers who have mental health concerns. The development program equips all employees within a life insurer with the knowledge and skills to engage appropriately and effectively with customers who may have experienced mental health issues

- ▶ Training and development programs should highlight how to refer or recommend community-based resources and support for the Person on Claim. This is particularly critical given the inability of group life insurers to fund treatment at present
- ▶ Ensure development programs are consistent with the Financial Services Council Code of Ethics and Code of Conduct. This includes the requirement to ensure that members act responsibly, with integrity and employ a customer-focussed approach
- ▶ Establish expectations for Claims Managers to complete soft skills and psychological health training programs as a mandatory part of their professional development. Some courses may be made mandatory or have set completion dates. Refresher training, reviewing the skills and competencies developed in such soft skills training, should also be utilised. The frequency of refresher training should be determined in accordance with the existing workforce and their needs, with a view to undertaking such training at minimum every 2–3 years
- ▶ Develop claims management team managers to support and mentor Claims Managers to perform the enhanced role. Through support, supervision and follow-up from team managers, Claims Managers are more likely to achieve sustained skills acquisition and behavioural

change. Claims team managers should also consider experiential learning opportunities, such as role playing interactions with a team member acting as a Person on Claim and debriefing difficult interactions. Through supervision, engagement of the competencies defined by the enhanced role of the Claims Managers should be reinforced

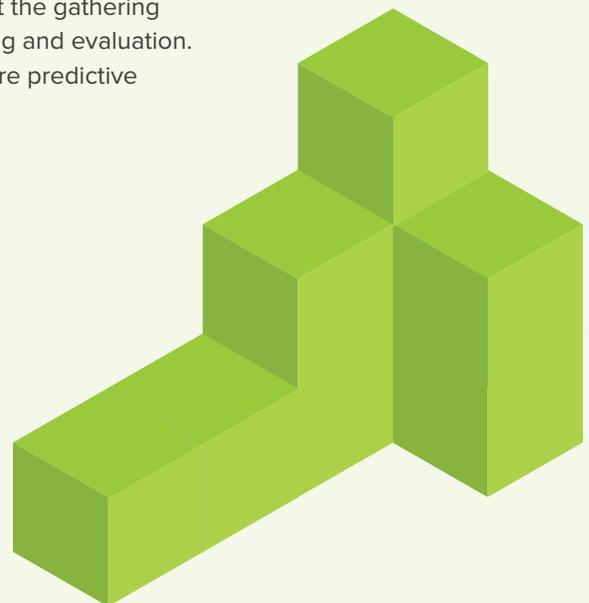
- ▶ Develop performance management protocols that address the enhanced competencies of the Claims Manager. Modify existing performance management measures to focus on qualitative aspects of the claims management process, rather than financial or time-based measures of performance. This should include measures of a Claims Manager's ability to provide empathetic communication with a Person on Claim, project manage the claims process, utilise specialist advice to make informed decisions and proactively manage the progress of the claim
- ▶ Use balanced scorecard approaches to performance management and include the full range of outcome dimensions (see *Measurement and Evaluation*)
- ▶ Request regular feedback from Persons on Claim as part of the performance measures for Claims Managers, including the customer's experience while interacting with the Claims Manager, how well informed and assisted they felt, and the Claims Manager's overall handling of the claim at the closure of the claim.

PRACTICE 5

SUPPORTING CLAIMS MANAGEMENT TEAMS

Although more broad and abstract than actions at the individual level, organisational practices play a significant role in the support of Claims Managers and best practice claims management teams. Support tools, along with appropriate delegations and protocols, can empower Claims Managers to be more efficient and effective in making decisions around the management of a claim and reduce the potential for the negative impacts of delay on a claim. Decision-support tools that enhance workflows and facilitate screening, resulting in automated decision making, free up the Claims Manager's time to enable greater attention and focus on how to assist and meet the needs of the Person on Claim. Likewise, establishing organisational supports to enable the re-distribution of some technical functions, such as eligibility determinations that currently occupy a significant proportion of Claims Managers' time, and training will alleviate some of the pressure on claims management teams and enable a focus on the Person on Claim consistent with the enhanced role for Claims Managers.

The model of best practice for Claims Managers and claims teams highlights the value of direct contact with a Person on Claim. However, individuals need supports and systems that enable this direct contact and enable them to take an active management role in the claims process. The Practice Areas outlined in this guide place significant expectations on Claims Managers, but without appropriate organisational supports and strategies these expectations can be difficult to uphold. Organisations, as well as the sector more broadly, need to invest in tools, policies, and processes that support the gathering of information related to strategies undertaken and subsequent monitoring and evaluation. Tools should collect and analyse information that can be used to build more predictive modelling and other decision supports.



CASE STUDY

Life & Health Business Management, Swiss Re Europe S.A., UK Branch

Aligned with the enhanced role of the Claims Manager as an active player in managing the psychological injury claim, Swiss Re offers training for their clients' (insurance companies) claims assessors that encompasses:

- ▶ *Biopsychosocial health, that builds on personal experience in managing claims to explore the theoretical underpinning and testing assessor's skills in case studies and role plays*
- ▶ *Common health conditions, including psychological illness and injury*
- ▶ *How diagnoses are made*
- ▶ *Best practice treatment*
- ▶ *Telephone skills for client interaction.*

Claims assessors undertaking the training are also supported by rehabilitation champions and case clinics.

Importantly, this program is being measured, with cost-effectiveness research currently being undertaken. Based on the research to date, it appears success is already reflected in improved customer outcomes and further tangible outcomes will be determined.

Modelling and technical support tools should be directed towards establishing expected claim durations and the potential impact of biopsychosocial factors, so that more meaningful outcomes for the Person on Claim and the Claims Managers' performance can be determined. Quality improvements in operational support systems can also lead to wider benefits across client populations through comparison of outcomes across different sectors. Although this is an important strategy for optimising and supporting best practice claims management teams, the guide for *Action Area 4: Effective Decision-Making Supported by Analytics and Automation* will explore this area in more detail.

TARGET

Utilise decision-support tools to empower Claims Managers to make more informed and efficient decisions with respect to disability management.

KEY COMPONENTS

- ▶ Claims management teams are provided with technical support to enable effective decision-making and determine the complexity of a claim
- ▶ Claims management teams have access to technology platforms that act as decision-support tools
- ▶ Claims management teams are provided with practical support tools
- ▶ The continuous improvement of claims management teams is supported through appropriate tools and practices

- ▶ Organisational practices support the development and maintenance of best practice claims management teams with an active role in claims management by enabling direct contact with People on Claim.

EXAMPLES OF RELEVANT ACTIONS

- ▶ Establish technical and specialist support for claims teams through the use of specialist experts and predictive models for determining the complexity of claims. Specialist expertise provided should cover psychological health, and rehabilitation and RTW
- ▶ Train Claims Managers to seek advice (rather than decisions) on disability management from Medical Practitioners, by requesting answers to questions regarding diagnosis, treatment, the attitude of the Person on Claim and their situation related to RTW, as well as what they can and cannot do
- ▶ Develop organisational technology platforms and analytics that enhance workflow and facilitate screening of claims, and enable more automated decision making for the Claims Manager. Support Claims Managers to make decisions around diagnosis, treatment and prognosis, and determining financial benefits. More information regarding decision support tools is available in the **TAKING ACTION** Framework: *Action Area 3: Bringing Evidence to Treatment and Rehabilitation* and *Action Area 4: Effective Decision Making Supported by Analytics and Automation*
- ▶ Ensure Claims Managers are given appropriate delegations to make decisions, with guidance from organisational and specialist decision-support tools
- ▶ Develop decision-support tools to help determine the expected duration of claims and the predictability of biopsychosocial barriers or flags. Such tools should be integrated with enhanced measurement of claim outcomes to provide better assessment of claim outcome or success
- ▶ Develop practical support tools that help enable Claims Managers to handle the more challenging aspects of managing a claim. For example, establish protocols for managing threats of suicide and self-harm from Persons on Claim, which describe the steps to be taken and how to communicate with individuals in potentially critical states of mind. Establish protocols for escalating a critical call to a team manager or appropriate person. Provide a pathway and support for Claims Managers dealing with psychological claims, who may be affected by the complexity or details of the claim and displaying signs of difficulty coping, such as access to an Employee Assistance Program or alternative psychological supports
- ▶ Ensure that company protocols for provider management and engagement with Superannuation Funds and Employers are consistent with best practice, and that Claims Managers are conducting relationships with internal and external advisors accordingly (refer to **TAKING ACTION**: Action Areas 3, 5, and 7)
- ▶ Implement continuous improvement practices and measures, including coaching for individuals at all levels of the organisation, pathways for knowledge and capability sharing across allied health areas, and secondment opportunities with health and other providers outside of the life insurance sector
- ▶ Establish channels that allow Claims Managers to provide feedback to employers and other stakeholders regarding biopsychosocial aspects of claims so that contributory factors can be addressed, and facilitation of the best outcomes and recovery for the Person on Claim is achieved. To enable this feedback loop, systems would need to allow for individual Claims Managers' feedback to be collated and provided through the appropriate business channel to the employer, whilst also ensuring consideration of consent and de-identification of information
- ▶ Establish organisational practices that support the development and maintenance of best practice claims management teams, including technology and workflows that enable efficiency in processes and the ability to respond quickly, and empowerment of teams to determine appropriate action and seek help readily where required.

MEASUREMENT AND EVALUATION OF CLAIMS MANAGEMENT TEAMS

At present there are a number of issues with measures and indicators of claim outcomes and success. There is generally a lack of consensus on standardised measurements for individual (and employer) outcomes of psychological claims management, and many of the current indicators do not provide meaningful information about claims outcomes. For example, claims can be measured with respect to duration of claim, however this is not balanced against the expected duration based on nature of illness or injury and any presenting biopsychosocial factors. Claims Managers are held to account for the financial metrics of claims, however best practice evidence suggests that the enhanced role of Claims Managers is also focussed on the quality of relationship and interaction with the Person on Claim, proactivity of actions supporting claim progress, and their ability to take a project management approach to managing the claim.

With best practice evidence supporting the enhanced role of the Claims Manager and claims management teams, quantitative performance measures should transition to a balance of quality and qualitative-based measures in addition to existing quantitative measures. The former measures should be aligned with the soft skills and enhanced role competencies and should cover the full range of outcome dimensions.

Performance measurement for Claims Managers should follow the balanced scorecard approach and include the full range of outcome dimensions:

- ▶ *Communication and relationships*
 - ▶ *Assessment and risk identification*
 - ▶ *Planning for RTW*
 - ▶ *Implementation of Services*
 - ▶ *Monitoring and review*
 - ▶ *Dispute resolution*
 - ▶ *Improved claims performance.*
-

As indicated in the Action Area 1 guide, improvements in four domains can be anticipated as a result of implementing actions from the Framework:

- ▶ Person on Claim/Member outcomes
- ▶ Insurer outcomes
- ▶ Superannuation Fund outcomes
- ▶ Employer outcomes.

Outcomes that can be expected from implementing the practices outlined in this Action Area include:

- ▶ Higher customer satisfaction and social and health outcomes
- ▶ Higher staff satisfaction and reduced turnover among Claims Managers
- ▶ Reduced time spent on eligibility decisions
- ▶ More timely decisions and action on claims.

WHAT NEXT?

Optimising claims management teams is critical in order to achieve best practice in the management of psychological claims. From the perspective of risk stratification, it is important that the practices outlined in this Action Area guide are undertaken for both psychological and physical claims management. The steps taken to optimise best practice claims management teams will minimise the risk of delay and harm to people on claim, regardless of the nature of their injury.

To achieve best practice psychological claims management, the role of Claims Managers and claims management teams must be enhanced, with an increased focus on interpersonal and project management competencies. Team and organisational mechanisms need to support this new focus.

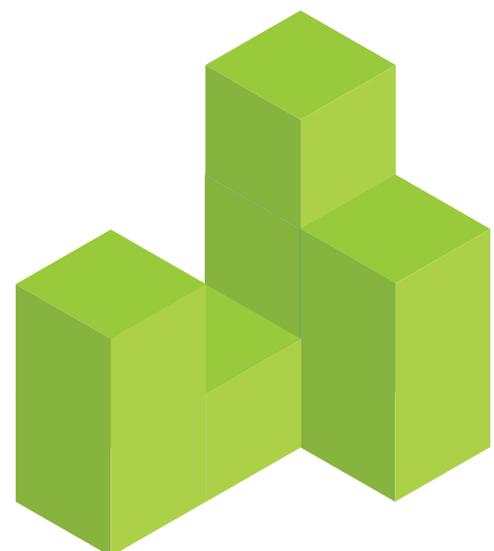
Best practice for optimising claims management teams will be achieved through five key practices:

- ▶ Enhanced role of the Claims Manager through changed definition of the role
- ▶ Competency-based recruitment of Claims Managers according to the redefined role and enhanced knowledge and skills
- ▶ Structures that support and empower Claims Managers to make decisions about disability management, guided by specialist expertise
- ▶ Training, developing and rewarding Claims Managers and teams in accordance with the enhanced role
- ▶ Organisational support tools and mechanisms that enable more automated workflows and decisions, predict workload and determine suitable allocations, and support Claims Managers to make quicker decisions regarding claim management.

Not all practices described in this Action Area will be immediately accessible or able to be implemented in all organisations. It is important that organisations identify the steps that can be taken, building on existing strengths and opportunities, and use these steps to generate momentum towards optimising their claims management teams.

With the support of the **TAKING ACTION** Framework and the Action Area Guides, Insurers and other stakeholders are encouraged to take a continuous improvement approach to adopting best practice in the management of psychological claims.

All organisations can **DO BETTER** by identifying some priority areas, measuring baseline performance, making changes, measuring performance again, and adjusting action as necessary.



APPENDIX 1: SOFT SKILLS DEVELOPMENT FOR CASE MANAGERS

(Adapted from SuperFriend Mental Health & Wellbeing Training Module 1³)

BUILDING AND MAINTAINING EMPATHY

BUILDING RAPPORT

Building rapport requires communication skills, the ability to relate to other people and the ability to understand the perspective of others. Tips to building rapport include:

- ▶ Mirror their body language: use similar posture, gestures and facial expressions and maintain eye contact
- ▶ Match their tonality and pace: maintain similar volume (unless they are yelling!) and try to keep a similar rhythm or pace. Talking slowly can help to calm the other person's speech
- ▶ Engage active listening skills such as acknowledging, using reflections and paraphrases.

BUILDING EMPATHY

Not only do we develop a sense of connection when people are being empathetic with us, but we feel their intention to care about us. This leads to trust and feeling safe.

All our interactions in life are based on this assessment of acceptance and safety. If you are empathetically present you can create in them a "receptive state"; a 'yes' state. In other words you make it possible for yourself and for them to change.

Rapport

A relationship built on mutual trust or understanding and emotional affinity.

Empathy

The ability to identify with and understand another's situation, feelings and motives.

³ Contact SuperFriend for further information about our training programs

STEPS FOR BUILDING EMPATHY

1. **Listen – really, actively listen.** Give your full attention to the other person and use the time they are talking to actually listen to what they are saying; not trying to formulate your next response. This requires practice!
2. **Be fully present when you are dealing with someone.** Don't check your email or engage in some other distraction – it is very obvious to the other person when you are not present.
3. **Put yourself in their shoes.** Ultimately you need to see the situation from the other person's perspective. Being in the same scenario they are facing, how would you feel?
4. **Respect a person's effort to cope with a predicament.** Everyone copes with challenges or hardship differently.
5. **Recognise, accept and appreciate differences.** Each of us has different ways of organising ourselves, relating to others, gathering and using information and making decisions.
6. **Ask questions. If you need to understand a person better, ask them!** Focused questions around how they prefer to communicate or how they typically approach something can help you to understand their point of view.

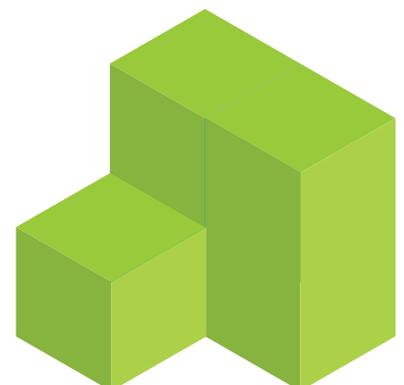
Empathy is an emotional and thinking muscle that becomes stronger the more we use it.

EXPECTATION SETTING

The likelihood is that if you don't set reasonable expectations up-front with a Person on Claim, you will end up stressed and they will end up frustrated and more challenging.

Some easy strategies for ensuring that you set expectations up-front with the Person on Claim include:

- ▶ Communicate from the initial point of contact – what your role is, what will be required of them and what they can expect from the process
- ▶ Give approximate timeframes – for anything that they might be required to wait on
- ▶ Set clear boundaries – including the limits of your control, your availability and what you can help them with
- ▶ Keep the Person on Claim in the loop – regular communication with them will ease their anxiousness about their claim and they will more likely feel that they are involved in the process, rather than the process simply happening to them.



LISTENING SKILLS

ACTIVE LISTENING INVOLVES:

1. Paying attention

Give the speaker your undivided attention and acknowledge the message. Recognise that non-verbal communication also speaks loudly.

- ▶ Look at the speaker directly
- ▶ Put aside any thoughts distracting you from what they are saying – don't mentally prepare a rebuttal
- ▶ Listen to the speaker's body language.

2. Showing that you are listening

Use your own body language and gestures to convey your attention

- ▶ Nod occasionally
- ▶ Smile and use other facial expressions – this works even when communicating over the telephone
- ▶ Note your posture and make sure it is open and inviting
- ▶ Encourage the speaker to continue with the small verbal comments (called minimal) like "yes", "mmm" and "uh-huh".

3. Reflecting and clarifying

Our personal filters, assumptions, judgements and beliefs can distort what we hear. As a listener, your role is to understand what is being said. This may require you to reflect what is being said and ask questions.

- ▶ Use open questions to probe for further information
- ▶ Reflect what has been said by paraphrasing. "What I'm hearing is" and "sounds like you are saying" are great ways to reflect back
- ▶ Ask questions to clarify certain points. "What do you mean when you say xxx?" "Is this what you mean?"
- ▶ Summarise the speaker's comments periodically – use this to confirm that you have understood correctly.

4. Deferring judgment

Interrupting is a waste of time. It frustrates the speaker and limits full understanding of the message.

- ▶ Allow the speaker to finish
- ▶ Don't interrupt with counter arguments
- ▶ State your views only after you have finished.

5. Responding appropriately

Active listening is a model for respect and understanding. You are gaining information and perspective. You add nothing by attacking the speaker or otherwise putting him or her down.

- ▶ Be aware of your own feelings and strong opinions
- ▶ Be candid, open and honest in your response
- ▶ Assert your opinions respectfully
- ▶ Treat the other person as he or she would want to be treated.

WHAT SHOULD I DO IF A CALLER THREATENS SUICIDE?

1. If they have only 'hinted' at it, **ask the question: "Are you having thoughts of suicide?"**

By asking you will not put the idea in their head. You are showing the other person that you are concerned, that you take him/her seriously, that it is OK for him/her to share their pain with you.

Most callers will answer '**NO**' at some point in this series or indicate that the time is not immediate.

2. If the answer is "**YES**," you can begin asking a series of further questions:

a. Have you thought about how you would do it (**PLAN**)?:

b. Have you got the things you would need to carry out your plan (**MEANS**)?

c. Have you thought about when you would do it (**TIMEFRAME**)?

Check with the person whether they are **ALONE**, if so do they have a family member or friend who can be called to attend and support them. If you do not already have medical information, ask whether they have a treating practitioner who they or you might be able to contact.

Likewise, if you do not have their contact details (especially **ADDRESS**) ask for this. You may need to send an emergency or mobile mental health team.

3. **Avoid:** arguments, problem solving, advice giving, quick referrals, belittling and making the caller feel that has to justify his suicidal feelings. It is not how bad the problem is, but how badly it is affecting the person experiencing it.
4. **If the person is ingesting drugs,** get the details (what, how much, alcohol, other medications, last meal, general health).

5. **If the person requires urgent assistance,** contact their health care provider (Psychologist, GP) if you have these details or call emergency services or local mental health services and advise them of the situation with the caller.

6. **If the person does NOT require urgent attention,** provide them with some referral options to whom they can talk or get assistance.

7. **Do not go it alone.** Get help during the interaction and debrief afterwards (use your escalation pathways).

DISCLAIMER

The **TAKING ACTION** Framework and Action Area Guides:

- ▶ *Should be considered as a guide to best practice and recognises that there may be exceptions to the best practices noted. For that reason it should only be used as a guide and there may be reasons why the application of a point of best practice may not be appropriate to follow for a particular situation or organisation*
- ▶ *May be amended from time to time based on interpretation of legislation and best practice*
- ▶ *Does not take precedence over the terms of a Life Insurance policy or contract and does not create legal rights.*

© SuperFriend 2015





E: info@superfriend.com.au **T:** 03 9615 8600

 [@SuperFriendMHF](https://twitter.com/SuperFriendMHF)

 [SuperFriendMHF](https://www.facebook.com/SuperFriendMHF)

 [linkedin.com/company/superfriend](https://www.linkedin.com/company/superfriend)

superfriend.com.au