



Evaluation manual: For approved workplace rehabilitation providers

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1. INTRODUCTION

The Heads of Workers' Compensation Authorities (HWCA) seeks to promote and implement best practice workers compensation arrangements in the areas of policy and legislative matters, regulation and scheme administration.

Read in conjunction with the *Guide: Nationally consistent approval framework for workplace rehabilitation providers* (the Guide), this evaluation manual (the Manual) is a guidance tool for approved workplace rehabilitation providers, workers compensation authorities, and the evaluation teams that monitor provider conformance.

This document builds on the information contained in the Guide. It aims to establish a consistent and transparent evaluation process across workers compensation jurisdictions in Australia and New Zealand, improving outcomes for workers and employers, and making it easier for businesses and governing bodies to manage.

The Manual includes a step-by-step guide of the evaluation process, associated timeframes and the responsibilities of each party. It provides workplace rehabilitation providers (providers) with the information and tools to conduct self-evaluations, and participate in evaluations initiated by a workers compensation authority (authority).

As the approval body for providers, it is the duty of the authority to ensure minimum standards are met in the delivery of workplace rehabilitation services to workers and employers. The authority is also responsible for maintaining an approval framework to ensure provider conformance with the *Conditions of Approval*.

When a provider is assessed as conforming to the *Conditions of Approval* they are granted an *Instrument of Approval*. In some jurisdictions this will be sufficient to operate as a workplace rehabilitation provider in that workers compensation system. In other jurisdictions there may be additional requirements. Providers should refer to the appropriate authority for details applicable to that jurisdiction.

2. SYSTEMS EVALUATION

The nationally consistent framework for providers has adopted a systems approach to evaluating conformance to the *Conditions of Approval* and the *Principles of Workplace Rehabilitation*. This approach is based on the *Guidelines for auditing management systems* outlined in ISO 19011:2014 (AS/NZS ISO 19011:2014).

The evaluation assesses how the provider's management system meets the *Conditions of Approval*. By examining policy and procedure documents and their practical application, the authority is able to determine if the provider's management system meets the evaluation criteria. The evaluation criteria are the *Conditions of Approval* and *Principles of Workplace Rehabilitation*.

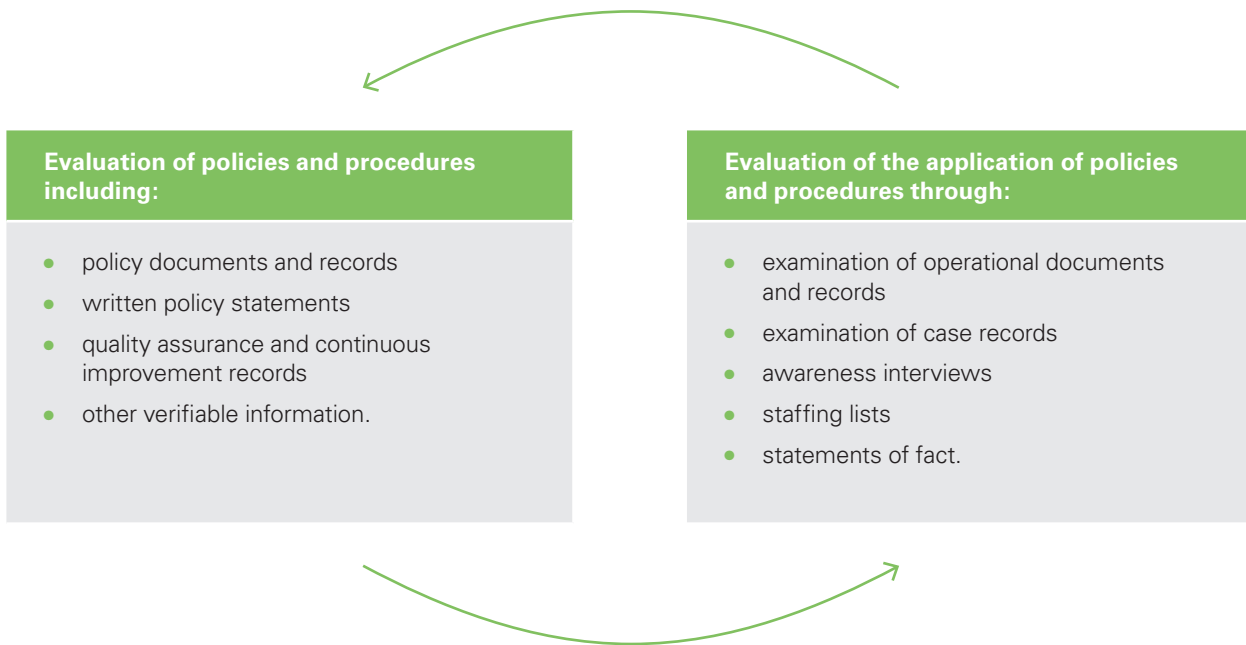


Diagram 1: potential evidence sources used to demonstrate conformance to the evaluation criteria.

An evaluation identifies if the providers' policies and procedures are adequate and consistently applied and how both influence each other in a continuous improvement cycle.

3. EVALUATION OF PROVIDER CONFORMANCE WITH THE CONDITIONS OF APPROVAL

The primary objective of an evaluation is to determine conformance with the *Conditions of Approval*. Refer to Section 6 of the Guide for the *Conditions of Approval*. Section 4 of the Guide details the *Principles of Workplace Rehabilitation*.

To demonstrate ongoing compliance with the *Conditions of Approval*, a provider that has been approved by an authority must agree to participate in annual self-evaluations as well as independent evaluations conducted by the authority (Condition 4).

3.1 SCORING THE CONDITIONS OF APPROVAL

The evaluation team must use the prescribed evaluation tools (available for download from the HWCA website www.hwca.org.au). Following the evaluation, the *Declaration of Conformance Workplace Rehabilitation Provider Self-Evaluation* form (Appendix 1) is to be completed and signed.

Workers compensation authorities may have additional requirements that apply to a particular jurisdiction. Please refer to each authority to obtain information relevant to that jurisdiction.

3.2 ASSESSING CONFORMITY WITH THE CONDITIONS OF APPROVAL

All *Conditions of Approval* must be met to maintain an *Instrument of Approval*.

In order to determine whether a provider has achieved conformance with the *Conditions of Approval* the evaluation team will assess the evidence provided and determine the degree, nature and the significance of any non-conformance and rate each Condition as either conforming or non-conforming.

Conformance with Condition 1 – *The Principles of Workplace Rehabilitation* is considered in relation to the provider's quality model to allow for service improvement and therefore scored differently than the other *Conditions of Approval* (as outlined in the Guide page 20).

3.3 CRITERIA FOR EVALUATORS

It is recommended the evaluation team include (where possible) members who have:

- successfully completed an auditor training course; and
- undergone a supervised period of training in practical assessment and auditing; and
- at least five years' experience related to the workplace rehabilitation industry; and
- not been personally responsible for the aspects of the business that they evaluate in particular they should not evaluate case records if they have been involved in workplace rehabilitation service delivery associated with those cases. If evaluating staff files they should not be involved in supervision and training associated with the staff members; and
- qualifications as per the workplace rehabilitation consultant qualification outlined in the *Principles of Workplace Rehabilitation*.

The evaluation team can be made up of independent internal staff who meet the above criteria, or an independent external auditor can be engaged.

3.4 ROLES AND RESPONSIBILITIES

Evaluators must have sufficient proficiency and training to carry out tasks assigned to them. The evaluator's work must be carefully directed, supervised and reviewed.

Lead evaluator

The lead evaluator's role includes:

- selecting the evaluation team
- provision of suitable instructions at the outset of the evaluation and approval of the evaluation plan
- ensuring completion of the approved evaluation, unless deviations are both justified and authorised
- determining the work papers adequately support the evaluation findings, conclusions and reports
- ensuring reports are accurate, objective, clear, concise, constructive and timely
- determining that evaluation objectives are being met
- deciding the criteria and scope of the evaluation
- preparing the evaluation plan and communicate this plan to the provider prior to the date of the evaluation
- collecting and analysing relevant information, determining findings and summarising the evidence for the evaluation conclusions
- leading the evaluation opening and closing meetings
- providing an opportunity for the provider to discuss non-conformance
- making the final decision regarding conformance, either during the evaluation or at a later time (if the provider and the workers compensation authority do not agree on a decision)
- notifying the provider of the findings including recommendations and requirements for improvement.

Workplace rehabilitation provider

The provider's role includes:

- informing staff about the objectives and scope of the evaluation as necessary
- providing an appropriate room for the evaluation team in order to ensure an effective evaluation process
- allowing the evaluation team access to facilities, staff, relevant information and records as requested
- cooperating with the evaluation team to enable the evaluation objectives to be achieved
- appointing appropriate staff to assist the evaluation team and participate in the opening and closing meetings as required
- appointing a designated person to consult with the independent evaluation team should any non-conformance be identified.

4. METHODOLOGY, PLANNING AND COMMUNICATION

4.1 METHODOLOGY FOR SELF AND INDEPENDENT EVALUATIONS

Evaluation methodology may include a review of pre-evaluation requirements (as outlined in the Guide page 18) as well as any of the evaluation methods listed on page 19 of the Guide.

For arrangements for providers with multiple sites and cross jurisdictional evaluations please refer to pages 20 and 21 of the Guide.

Case record samples will be representative of the provider's caseload and categories. The sample of case records available to evaluate is to be established using the following formula:

- no less than 10 and no more than $0.6 \times \text{square root of the number of cases closed in the previous 12 months plus current open cases}$.

The number of case records evaluated per principle indicator is determined by the lead evaluator, based on their level of confidence that compliance has been consistently demonstrated for that indicator. Other sources of evidence can be used in addition to the case records if necessary.

4.2 PLANNING

Adequate planning must be undertaken for each evaluation. This includes outlining the objectives and scope of the evaluation, as well as the methodology and resources to be used. Preparing the evaluation plan requires consideration of:

- the nature, size and operation of the service provider to be evaluated
- previous evaluation results
- complaints which have been investigated and substantiated
- the availability and competence of the evaluation team
- the evaluation criteria and methodology
- the format and content of the report to be prepared.

4.3 COMMUNICATION

The following section details the suggested communication timeframe for independent on-site evaluations conducted by a workers compensation authority.

Initial contact

The lead evaluator must write to the provider at least six weeks prior to a scheduled evaluation to:

- confirm the evaluation, its date, time and duration as well as the names of the evaluation team
- schedule the opening and closing meetings
- request any documents that are required prior to the on-site evaluation
- outline requirements of the provider, such as:
 - confirmation of the service provider's representative(s)
 - provision and access to relevant information, documents and systems
 - provision of suitable office accommodation and facilities for the evaluation team, in line with work health and safety standards.

Four weeks prior to on-site evaluation

Workplace rehabilitation providers must submit the documents requested by the lead evaluator. In preparation for the scheduled evaluation, the evaluation team may review:

- provider policy and procedural documentation
- previous evaluation results, including the nature of any recorded non-conformance, quality assurance improvement plans, and modifications/actions taken in response to provider quality assurance activities and previous evaluations
- annual performance data collected from internal and authority reports. For example the number of cases managed by the provider within the last 12 months and the number of current cases
- the staff employed by the provider within the last 12 months
- appropriate insurances
- the number and nature of any complaints received by the authority and directed against the provider within the current approval period
- any other certification obtained by the provider and verified by a recent audit report (audit reports from other standards may reduce sample size or recognise compliance with some of the *Principles of Workplace Rehabilitation*).

The lead evaluator may contact the provider to seek clarification about the information submitted and/or reviewed.

Three weeks prior to on-site evaluation

The lead evaluator will develop the evaluation plan and send this to the provider. The evaluation plan will detail:

- its criteria and scope (for example *Conditions of Approval*, *Principles of Workplace Rehabilitation* to be reviewed, staff to be interviewed)
- the date(s) and location of the on-site evaluation
- the anticipated time and duration of on-site evaluation activities (including open and closing meetings, staff and/or service recipient interviews)
- resource requirements (for example room allocation, IT requirements and appropriate facilities for the evaluation team to conduct the evaluation)
- confirmation of the provider's representative for the evaluation process
- the identification of staff and/or service recipients for awareness interviews
- the number of case records required for the on-site evaluation.

Two business days prior to on-site evaluation

The lead evaluator will advise the workplace rehabilitation provider of the case records that will be identified for review.

5. ON-SITE EVALUATION

This section outlines the major steps involved in the evaluation itself, from the opening meeting to the presentation of evaluation findings. The information should be used as a guide, keeping in mind each provider evaluation is unique and should be approached on a case-by-case basis.

See Appendix 2 for the evaluation process flowchart.

5.1 OPENING MEETING

The purpose of the opening meeting is to:

- inform the provider of the objectives and scope of the evaluation
- describe the evaluation process and the activities involved
- confirm avenues of communication including interim feedback meetings
- give the provider an opportunity to raise any points they consider relevant
- confirm the personnel appointed to assist the evaluation team (if not previously confirmed)
- provide an on-site induction (including work health and safety requirements, amenities and location orientation to the evaluation team).

5.2 CLOSING MEETING

The closing meeting will take place at a time agreed upon by the provider and lead evaluator. The evaluation team will provide verbal feedback of the evaluation findings to the provider representative(s). The meeting is also an opportunity for the provider to discuss matters that are identified and formally indicate their response to the evaluation findings. At this time the evaluator may amend their findings as a result of further evidence provided to support conformance.

Findings and conclusions

Evaluation findings require the support of factual evidence to establish conformance or non-conformance with the evaluation criteria. Conclusions regarding the evaluation outcome and conformance to the *Conditions of Approval* must be consistent with evaluation findings. The lead evaluator must ensure that the recommendations they provide are realistic, and feasible.

Emerging issues

Evaluation findings which are significant in nature but do not form part of the evaluation scope should be recorded as an emerging issue. All emerging issues should be assessed according to a risk management framework and follow-up action considered.

6. INDEPENDENT EVALUATION REPORTING

The independent evaluation report is to be issued to the provider as soon as practicable and within 30 days of completion of the evaluation. If delays occur, the reasons for the delay must be communicated to the provider with a revised date of issue provided. Evaluation reports should:

- be clear, concise, accurate and complete
- clearly explain the scope and objectives of the audit
- present findings and conclusions in a fair and objective manner
- disclose any emerging issues
- ensure findings and conclusions are adequately supported by documented evidence
- acknowledge provider initiated quality assurance and continuous improvements where appropriate.

6.1 IMPACT OF CONFORMANCE RATINGS ON THE *INSTRUMENT OF APPROVAL*

Requirements for the correction of non-conformance are outlined on page 20 of the Guide. Evidence of corrective action should be submitted to the workers compensation authority three months from the date the evaluation report is received. Failure to correct non-conformance within the agreed specified timeframe may result in the automatic cancellation of an *Instrument of Approval*.

7. EVALUATION TOOLS

Evaluation tools must be used for both workers compensation authority initiated evaluations and provider self-evaluations. The first two tools (listed below) are contained in an Excel spread sheet and can be downloaded from the HWCA website at www.hwca.org.au:

- *Conditions of Approval* evaluation tool
- *Principles of Workplace Rehabilitation* evaluation tool
- *Declaration of Conformance Workplace Rehabilitation Provider Self-Evaluation* (see Appendix 1).

For further information regarding the evaluation requirements specific to each jurisdiction, refer to the website of the relevant workers compensation authority.

7.1 CONDITIONS OF APPROVAL EVALUATION TOOL

This tool helps determine the provider's conformance to the *Conditions of Approval* by assessing and rating each condition as either conforming or non-conforming.

Examples of evidence sources are listed both on the tool and on the following page. The list is a guide and does not represent an exhaustive list of evidence sources.

7.2 PRINCIPLES OF WORKPLACE REHABILITATION EVALUATION TOOL

An evaluation of a provider's conformance with Condition 1: *Principles of Workplace Rehabilitation* includes an assessment of the provider's policy and procedures, as well as the application of these policies and procedures through the provider's operational documents, case records or awareness interviews.

Instructions for use:

1. Review the policy and procedure documents in accordance with each principle and indicator, and determine compliance. Record the evidence and results on the evaluation tool under the *Policies and procedures* column.
2. Review the application of policies and procedures in accordance with each principle and indicator and determine compliance using:
 - operational documents and records
 - case records according to sampling methodology
 - awareness interviews conducted with staff and/or service recipients.

Determine compliance with the service provision principles by evaluating case records.

Record the evidence and results under the *Application of policies and procedures* column.

3. Determine the overall compliance to each principle and its indicator.

If non-compliance is identified in either the documented policies and procedures, or the application of policies and procedures the overall result is non-compliance.
4. Determine the level of conformance using the equation below:
Level of conformance = number of compliances/number of applicable indicators x 100.

Possible sources of evidence:

The list of possible sources of evidence below is a guide and does not represent an exhaustive list of evidence sources. Possible evidence sources include:

Policies and procedures:

- policy statements
- work instructions.

Operational documents and records:

- staff records of induction and development
- training calendars/records
- quality assurance and continuous improvement assessments, actions plans and reviews
- customer feedback log, actions and review
- referral allocation records
- caseload monitoring and performance data
- work health and safety and injury management assessment and actions
- current insurances
- previous audit/evaluation reports
- time recording and invoicing records.

Case records:

- recover at or return to work (RTW) plans
- assessments
- case notes
- correspondence including emails
- file reviews
- case handover summaries
- customer feedback
- invoices/timesheets.

Providers can advise the evaluation team of other sources of evidence during an evaluation.

7.3 DECLARATION OF CONFORMANCE WORKPLACE REHABILITATION PROVIDER SELF-EVALUATION (APPENDIX 1)

The *Declaration of Conformance* is required in order to prove a self-evaluation has taken place and that conformance against the *Conditions of Approval* has been assessed. If any non-conformance is identified the provider will detail the non-conformance and the related corrective action plan.

Following the evaluation the *Declaration of Conformance Workplace Rehabilitation Provider Self-Evaluation* form (Appendix 1) is to be completed and signed. The provider must also submit a copy of the *Declaration of Conformance* and their most recent self-evaluation with their renewal application.

APPENDIX 1: DECLARATION OF CONFORMANCE WORKPLACE REHABILITATION PROVIDER SELF-EVALUATION

1. _____ is in conformance with the *Conditions of Approval* for workplace rehabilitation providers within the workers compensation system.

Yes No

2. If no, please detail the condition(s) to which _____ did not comply and the corrective actions to address the non-compliance(s) (this can be in the form of an attachment if required).

Non-compliance

Action plan

3. Person(s) who conducted the evaluation:

On behalf of the organisation, the principal head(s) declare:

a. the person(s) who conducted the evaluation meet the requirements of an evaluator.

Yes No

If no, please outline the persons qualifications

b. the person(s) who conducted the evaluation were not personally responsible for the aspects of the business that they evaluated.

Yes No

If no, please outline the persons responsibilities

4. On behalf of the organisation, the principal head(s) acknowledges and accepts the consequences for making false declaration.

To be signed by the principal head(s)

Name

Name

Title

Title

Signature

Signature

APPENDIX 2: INDEPENDENT EVALUATION PROCESS FLOWCHART



GLOSSARY OF TERMS

| Term | Description |
|---|---|
| Awareness interviews | Interviews conducted with workplace rehabilitation provider staff and/or service recipients (for example worker, employer, insurer) regarding the provider's provision of workplace rehabilitation. |
| Case records | Documentation relating to workplace rehabilitation service provision for a worker. |
| Compliance | Demonstrated fulfilment of Condition 1 – <i>Principles of Workplace Rehabilitation</i> . |
| Conformity | Demonstrated fulfilment of the <i>Conditions of Approval</i> . |
| Desktop review | A form of evaluation whereby conformance is assessed by submitted sources of evidence rather than by an onsite evaluation. |
| Evaluation | Systematic, independent and documented process for obtaining evidence to determine the extent to which the requirements are fulfilled. |
| Evaluation by exception | Evaluations conducted by the workers compensation authority in response to specific information obtained or received. |
| Evaluation conclusion | Outcome of the evaluation determining conformance to the <i>Conditions of Approval</i> . |
| Evaluation criteria | The <i>Conditions of Approval</i> . |
| Evaluation findings | Results of the evaluation of the collected evaluation evidence against evaluation criteria. |
| Evaluation scope | Extent and boundaries of an evaluation. |
| Evaluation | Description of the activities and arrangements for an evaluation. |
| The Guide | <i>Guide: Nationally consistent approval framework for workplace rehabilitation providers.</i> |
| ISO 19011: 2014 (AS/NZS ISO 19011:2014) | Guidance material on the management of audit programs of quality and/or environmental management systems. |
| Non-conformity | Failure to demonstrate fulfilment of the <i>Conditions of Approval</i> . |
| Operational documents and records | Working documents reflecting the application of the organisation's policies and procedures, for example staff records of induction and development, current insurances, meeting minutes. |
| Periodic evaluation | Evaluation scheduled with the provider's three-year approval period. |
| Policy and procedures | A set of statements and instructions to guide workplace rehabilitation provider service provision to meet worker need, organisational objectives and the <i>Conditions of Approval</i> . |
| Provider | Workplace rehabilitation provider. |
| Self-Declaration of Conformance | Commitment and demonstration to adherence to the <i>Conditions of Approval</i> through self-evaluation. |

