



## ACC's Workplace Safety Incentives

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The Accident Compensation Commission (ACC) is proposing two new workplace safety incentive products. These products will replace the Workplace Safety Discount (WSD) and the Workplace Safety Management Practices (WSMP).

ACC is now on its third phase of the consultation process. **We would like to know your thoughts on these new products, so we can develop a submission that reflects the pulse and actual views of our members.**

Some quick facts on the proposed safety incentive products:

### **Purpose of the new products**

ACC wants businesses to better understand the link between injury prevention and their levy. Both products are designed to encourage continuous improvement, give access to more “tailored” joined-up services, and clearly link each business’ levy to their own health and safety performance.


**Product A** (working title Performance Rating Framework) will be the default option for most businesses. It is made up of:

1. **Simplified base levy pricing.** Simplifying the part of the business’ levy based on risk profile, as defined by business activity.
2. **Enhanced performance rating.** A rating which gives more weight to the actual and more recent health and safety performance of the business. There are two options being proposed for its calculation:
  - Model One (Frequency Based) where calculations are based on a combination of the number of weekly compensation days; the number of medical claims >\$500; the number of fatalities in a 3-year experience period
  - Model Two (Cost Based) where calculations are based on the sum of all work-related claims costs in a 3-year experience period.

For more information, see the diagram at:

<https://www.shapeyouracc.co.nz/assets/wsi-enhanced-performance-rating.pdf>.

3. **Lead indicators (optional).** Recognising and rewarding the business for the other health and safety improvements made. Proactive measures undertaken to enhance safety will earn the business status points.



Points can be redeemed to access further health and safety improvements. The business can view and share its status with the market through an online portal, which eventually will offer a range of other tools such as benchmarking, levy projection calculator, injury log tool and knowledge bank.

ACC plans to introduce all these components in April 2020. Components 2 and 3 will not apply to self-employed.

**Product B** will be for larger businesses striving to be leaders and innovators in workplace health and safety. It will be prototyped and transitioned in to eventually replace the current Accredited Employers Programme.

This product is for businesses who can show they:

- have a strong, existing health and safety performance and
- are willing and able to step into the shoes of ACC and manage their own workers' rehabilitation and claims management.

High level changes include:

- bigger focus on performance – with a requirement of a 3-year improvement plan to enter the programme
- requirement of an annual certification if the business delivers rehabilitation and claims management services (includes third party administrators)

To see the other changes proposed as part of Product B, refer to <https://www.shapeyouracc.co.nz/proposals/workplace-safety-incentives-phase-3/product-b/>

ACC plans to introduce this in April 2020 to all businesses accepted into this new product.

For more information about these products, visit <https://www.shapeyouracc.co.nz/proposals/workplace-safety-incentives-phase-3/>