

Workers Compensation Insurance Brokers

The **WCIMA23** provides for the registration of workers compensation insurance brokers should a registration scheme be required in the future.

Key Points

Act ref: s. 213

- Insurance brokers play an important role as an agent of employers in connection with workers compensation insurance. Traditionally, this role focused solely on insurance related activities on behalf of their clients but has evolved into other activities such as reviewing claims, injury management and dispute resolution advice.
- Brokers are not recognised in the 1981 Act. An Insurance Brokers Code of Practice, developed collaboratively by WorkCover WA and the National Insurance Brokers Association, provides clear guidelines for insurance brokers operating within the workers compensation system. This is supported by ongoing industry engagement and training on issues affecting brokers.
- This method of self-regulation, engagement and training is preferred over a formal licensing regime. Nonetheless, the **WCIMA23** provides for a scheme for the registration of workers compensation insurance brokers should it be required in the future.

Questions & Answers

Q. What type of registration scheme for brokers is being contemplated?

A. No registration scheme for workers compensation brokers is being contemplated at this stage. Industry will be consulted on any proposal to establish a registration scheme in the future.

Q. Why does the **WCIMA23 provide for a registration scheme for brokers operating in workers compensation insurance if there is no intention to introduce a scheme at this stage?**

A. In the event there is a need for formal registration and regulation in the future. The role of brokers has expanded over time and there is a risk the current method of self-regulation, engagement and training may be insufficient in dealing with potential conduct or service delivery risks specific to workers compensation in the future. Statutory based licensing or registration systems apply to most service providers in the workers compensation scheme that set out eligibility for registration, activities that can be undertaken, and compliance with service standards.

