Version 1.0

Improving the claim registration and approval process

4 July 2018

We're improving how claims are registered, assessed and approved

ACC receives and processes approximately 2 million claims every year, and on average 96% of these claims are accepted. While the majority of these claims are submitted electronically, all claims currently require some level of manual processing.

Later this year, ACC will be introducing a new claim registration and cover assessment process.

Current Process	New process
Right now, it can take some time for injured New Zealanders to find out what's happening with their claim, as ACC staff manually process each claim once it is lodged by a provider (e.g. a doctor, physiotherapist or health practitioner).	The new system will identify characteristics of a claim that are relevant to whether a claim will be accepted. Simple claims - where the information provided shows that an injury was caused by an accident - will be fast-tracked and immediately accepted. Complex or sensitive claims will be referred for review by an ACC staff member, as all claims are now.
Clients currently receive updates on what's happening with their claim via letters in the post.	The system will notify clients that their claim has been registered and will update them as it progresses, meaning many clients will know what's happening with their claim more quickly than before.
This can take several days.	
	The system won't be used to decline any claims; it identifies and categorises claims based on the information available.

All client claim information is anonymised and stored securely and privately

The new system was developed using anonymised data from 12 million claims that were submitted between 2010 and 2016. ACC is committed to protecting the privacy of clients and providers, and is using the same security standards for its new system as it does with client claim information held on the existing claims system. The information used in the models has been anonymised, and can't be used to identify an individual.

ACC's model has been developed to avoid any gender or ethnicity bias and is being independently validated by experts to ensure it is accurate, meets good practice guidelines for use of personal data and is working as intended. It has also been developed with careful consideration of privacy, human rights and ethical issues.

More detailed information on the new system will be made available later in 2018. This will include detail on the model's code, a Privacy Impact Assessment and detailed Technical Review Document.

The new system will fast-track straightforward claims

The system will identify and fast-track the acceptance of straightforward claims where the information provided shows that an injury was clearly caused by an accident.

Example: ACC could fast-track someone going to the emergency clinic to have a cut stitched.

Less straightforward claims that don't meet the data model's criteria for fast-tracking will still be handled in person, as all claims are now.

Example: A complex claim involving multiple severe injuries, or a sensitive claim, would be referred for handling by ACC teams.

The new system will let clients know what's happening sooner

The new system is able to immediately notify clients whether their claim has been fast-tracked for acceptance or if it has been referred for manual processing by a staff member.

This notification depends on us having current contact details for the client, and is faster than our current process which sees clients updated via letters posted in the mail.

How the system categorises claims

ACC's new system will firstly scan all claim details to verify ACC has the information it needs to progress the claim. This includes essential information about the location and date of the accident, the injury type, the healthcare provider who registered the injury, and other information relating to the claimant (e.g. their employment status, their residency status and any other relevant medical information such as diagnoses).

The system won't be used to decline any claims; it identifies and categorises claims based on the information available.

Each claim goes through the following automated system "checks", and, depending on the outcome of each "check", some claims may be referred for manual processing by an ACC staff member.

1) **Validation and eligibility checks**
   The system performs an initial check to see if ACC has all the required information about an accident, so the claim can be assessed.

   If the validation and eligibility checks are all complete and accurate, the claim will then go through the Accident Description checks (below). If the validation and eligibility checks identify any gaps or issues, the claim will be referred for manual processing.

2) **Accident Description checks**
   The system searches the claim form for key words that could help categorise the type of accident being claimed for. E.g. "rugby accident", "fall".

   If the system can categorise the type of accident being claimed for, the claim will then be run through the Cover Decision checks (below). If the system can't automatically categorise the accident type from the information originally provided, the claim will be referred for manual processing.

3) **Cover Decision checks**

There are two statistical models that help ACC determine whether a claim can be fast-tracked or if it should be referred for further manual processing by an ACC staff member.

    a. The "**Probability of Accept" model** is informed by a statistical model that uses data from 12 million previous, anonymised claims to calculate the probability a new claim should be approved. Each claim is then given a score, and ACC sets a threshold for scores that will be automatically accepted or not. A claim that scores above the threshold set by ACC will be automatically accepted for cover.

    b. A claim that scores below the auto-acceptance threshold would then be run through **the "Complexity" model**, which categorises the claim on a scale of low-complexity through to high-complexity. Each claim is then given a complexity score, and ACC sets a threshold for complexity scores that will be automatically accepted or not. A claim that scores below the threshold set by ACC will be automatically accepted.

       A claim that scores above the auto-acceptance threshold for complexity would then be referred for further manual processing by an ACC staff member.

Example: If a client submits a claim for treatment relating to multiple severe injuries and post-traumatic stress following a motor vehicle accident, their claim is likely to receive a high complexity score and would be referred for handling by ACC teams.