

# Next Generation Case Management Post Implementation Review

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Internal Audit

*April 2022*

*I mua tō kōrero, kia toru ngā kūwaha e haere ana.  
He pono, he mea tika, he pai.*

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## 1. Background.

### 1.1 Next Generation Case Management (NGCM) was a fundamental redesign of the case management model.

The implementation of NGCM was the largest people, technology and process change in the history of ACC, involving the migration of over 90,000 claims and impacting approximately 2,000 staff. During consultation more than 2,400 pieces of feedback were received from staff; 2,900 expressions of interest received, and 1,500 appointments made. The transition (rollout) phase included the induction of 220 leaders; the delivery of over 40,000 hours of training; and responding to 10,500 support calls.

The objective of NGCM (“the Model”) was to focus ACC resource where it can have the greatest impact for customers, achieve greater consistency, and remove complexity that has been layered in over the years. For the 12 months to October 2021, most claims (84%) did not require active management. Less than half (41%) of actively managed claims received weekly compensation. The previous operating model prioritised clients who required weekly compensation.

NGCM was delivered along with several other work programmes comprising ACC’s Integrated Change Investment Portfolio (ICIP). NGCM is an enabling component of the portfolio.

The delivered changes were developed from a current state assessment conducted in 2016 and tested in Launch Pad for two years. This led to a 2019 blueprint that was used for rollout, which is provided in Appendix 2.

### 1.2 This review assesses the implementation of the NGCM Model and lessons learned.

This report follows the standard form of a post implementation review: delivery against the project design; benefits and lessons learned.

The objectives of the review were to:

- Identify lessons learned from the transition and early implementation stage of the Model.
- Provide an update on benefits realisation and performance.
- Assess whether the Model was implemented as per the blueprint design shown in Appendix 2.
- Assess whether privacy was included as a core principle during the design and implementation of the Model.

The full scope and approach to this review is shown in Appendix 1.

## 2. Executive Summary.

The transition to the Model commenced in September 2019 with Tranche 1 and was completed in September 2020 with Tranche 5. In section 4.2 of this report we have assessed the delivered components against the blueprint for the Model provided by management (Appendix 2). Not all aspects of the blueprint are fully operationalised. Instead, components delivered through transition were intended to provide a minimum viable product, with the achievement of a fully mature version of the Model planned to be delivered through the Path-to-Wellbeing Agile Release Train, together with separately run projects such as the Health Sector Strategy. Model performance to date will be constrained because full maturity has not yet been achieved.

Ten lessons have been identified which cover both the transition to the Model and the early experience post rollout. These are in sections 6 and 7 of this report.

Our key findings are:

- The transition process was well managed, and lessons learned should be applied to future change in the Model.
- There needs to be a clearer link between operational performance metrics and client outcome measures. This would help to assess Model performance.
- The full blueprint has not yet been fully operationalised. Additional costs to fully operationalise the blueprint are borne by continuous delivery workstreams rather than the NGCM project. This needs to be considered when comparing future benefits against project costs.

## **2.1 The performance reporting story is complex and therefore the impact of the Model is unclear.**

There is extensive reporting of claims performance drivers but the impact on claims outcomes is not clearly demonstrated in Value Stream Board and ICIP reporting. Tactical performance in the Model is measured using a set of measures called 'the back-bone'. Comparator measures pre-NGCM cannot be determined, as there was no consistent reporting of branch activity in the previous model.

Given the above, it is not possible to conclude on:

- The impact of the Model on client outcomes.
- The impact of undelivered or partly delivered initiatives that the Model design placed reliance on to produce benefits.
- The likely performance shift that will result from future enhancements planned to the Model.

## **2.2 Benefit horizons are not matched to cost horizons therefore determining the Return on Investment of the Model is challenging.**

In February 2019, prior to rollout, the Board approved a minimum viable technology build to support the Model. The Board agreed to deliver the rest of the planned Model technology functionality through continuous delivery mechanisms. After rollout the total project cost was established. The additional cost of the continuous delivery enhancements, designed to improve benefit performance, will not be charged to the project. Therefore, the full cost of implementing the Model has not been calculated. This practice is consistent with ACC's continuous delivery approach to project delivery. The Value Management Office (VMO)<sup>1</sup> have forecasted that \$438m (88%) of the \$500m intended financial benefit of the Model will be achieved by FY30. Our view is that there is a high degree of uncertainty related to achieving this benefit by FY30. Additionally, some of the tactical cost savings already achieved, such as rebranding and Full Time Equivalent (FTE) efficiency, are likely to be reversed in the pursuit of client and claim outcomes.

The client transformation programme was designed to deliver an average weekly compensation days paid (AWCDP) reduction of 5.5 days. Each project was assigned a portion of that benefit. NGCM's portion was a 1.25-day reduction in AWCDP. AWCDP has increased since early 2018. The VMO have been unable to attribute AWCDP performance to the Model as other internal and external factors affect AWCDP. NGCM's vocational rehabilitation benefits are ahead of target as at November 2021, however the impact on other benefit targets including AWCDP needs to be understood.

Non-financial benefit performance has not yet been reported by the VMO. As at 30 September 2021 client net trust score (NTS) was +26 with a target of +45 to be achieved by 30 June 2022. Employee net promoter

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<sup>1</sup> Formerly the Portfolio Management Office. They report to Enterprise Portfolio Delivery and ultimately to the Chief Technology and Innovation Officer. The VMO is responsible for enabling greater value and benefits to be delivered across ACC through demonstrating the value from ACC's investment in change and supporting continuous improvement of the continuous delivery system. It is also accountable for ACC's value and benefit framework, data repository and reporting on value and benefits across the enterprise and within the Value Streams.

score (eNPS) for Client Recovery was -5 and Support and Capability Services was +14 at November 2021, which is a net position of +4. The eNPS target is +10, to be achieved by 30 June 2022.

### **2.3 The transition process was well managed given the size of the change and disruption caused by COVID-19.**

The rollout of the Model was completed with minimal delay. This was a significant achievement, particularly as the Model was delivered during the COVID-19 lockdown in 2020.

Over 90,000 claims were migrated and approximately 2,000 staff transitioned to the new Model with no serious issues noted at the time. Since then, in August 2021, the Acting Chief Executive noted that staff transition could have been better aligned to claims migration to potentially avoid a build-up of tasks in Assisted Recovery.

The lessons learned related to successful change management and delivery are important to continuously apply as additional improvement and enhancements are made to the Model.

### **2.4 Privacy by design was delivered in NGCM.**

Privacy was a core design principle of the Model. Privacy by Design was also built into the Model at a component level, such as MyACC.

The Privacy Impact Assessment articulated privacy risks pertaining to the Model's implementation. However, the impact of a significant change management programme on privacy management behaviours was not assessed. Some practices that contributed to the privacy risk control environment ceased or had reduced focus during transition. It is important to maintain a focus on all aspects of the control environment during change implementation. This is a lesson that applies to any hygiene, compliance or behavioural expectation that ACC holds to be important in a change environment.

Activities are underway to enhance client privacy practices and processes. There is an opportunity to enhance training to strengthen the privacy control environment. An opportunity for improvement is introducing metrics for level 1 and 2 privacy breaches. Well-designed metrics such as Key Risk and Control Indicators would help management to understand the performance of privacy controls.

Sensitive claims changed from being managed by a discrete unit to a distributed model under NGCM. The systems and processes to provision access were not changed and were considered satisfactory. The access and monitoring controls are being strengthened, including through prioritised work in the Path-to-Wellbeing Agile Release Train. ACC has recently commissioned an independent review of client information management which will report findings and learnings in April/May 2022.

## **3. Management Comment.**

Acknowledgment of the scale and scope of the programme is welcomed, as was the overall assessment that the change implementation, centred around a tranche-by-tranche roll-out approach, supported by consistent and clear leader lead communication was well managed.

Implementation of a minimum viable product technical build, as noted, will require ongoing investment, prioritisation and oversight by the Value Stream Board. This will include integration and iteration of the various enablers to the model; workforce management, claims streaming and associated analytics and Health Sector Strategy activity to name a few. Whether this ongoing expenditure is considered the 'normal' cost of improvement as is the usual practice within ACC, or we look to lock in the net present value impact of such expenditure is for wider discussion.

Performance, as noted, continues to be impacted by COVID, although it is considered our ability to manage our workforce and workload has been better enabled by NGCM and the consistency of national practices it provides, than would have been possible in prior years. That said, it is recognised that performance

improvement is required to meet the objectives of the programme, a priority within the value stream and the coordinated programme of work across operations over the next six months.

Work to embed the NGCM model and improve performance continues in business as usual, change efforts in continuous delivery, and through a dedicated cross-functional programme of work that has been set up to focus our improvement efforts over the short, medium and long-term. This programme has six key workstreams: Self-Managed, Assisted Recovery, Retention, Workflow, Onboarding, and Recovery Support, which are supported by Workforce Management, Modelling and System Performance, Communications and Technology. Management will consider the improvement opportunities and other findings outlined in the PIR, and existing work for embedding and optimising NGCM will be iterated in Q3 to ensure the key areas of concern are addressed. The delivery and timing of the activity will be governed by the cross-functional work programme.

We continue to refine our analysis and reporting to understand the impact of our operating rhythm to client outcomes. Included in this work is a framework to be rolled out early in 2022 that aligns front-line activity to service agreement objectives.

From a privacy perspective, there is extensive continuous improvement activity currently underway to make improvements across the system in Q3, which is focusing on:

- Training and inducting staff at ACC including the need to include contractors in this activity (where appropriate).
- Ensuring privacy and conduct training is refreshed regularly.
- Ensuring those that need access to core claims systems, only get the access they need and have completed appropriate privacy and code of conduct training prior to using their access.
- Ensuring the system supports the protection of sensitive information by only allowing access to those that need it, and monitoring access effectively.
- Establishing measures to restrict access to Sensitive Claims are in place and effective, but also ensure we treat other sensitive (non-Sensitive Claims) information with the same robust measures.
- Ensuring that staff are using their access appropriately through implementing better system and reporting functionality.
- Prioritising the implementation of changes where risks or breaches are identified.

Management would like to acknowledge, with thanks, the way in which this post implementation review has been approached, balancing various stakeholder input and coming to a reasoned view of the programme implementation and impact.

### **March 2022 Update**

Management have provided updated commentary on the status of delivery against the blueprint since the final draft was circulated. The updated table is in Appendix 5.

### **Internal Audit Response.**

The programme of work underway is extensive. The work programme should address findings in both this review and Ernst and Young's Portfolio Review #4. Internal Audit acknowledges management's intention to iterate the work programme to respond to the findings identified in this review in March 2022. There is a risk that the work programme might not address the ongoing performance issues given the levers are not effectively understood. In the medium-term management could consider using trials to examine elements that might impact underlying performance. Elements might include:

- Task-focussed incentives.
- The extent of unproductive task volume.
- Process efficiency.

We will work with management in March and April 2022 to ensure that the revised work programme addresses the observations and improvement opportunities in this review.

## 4. Implementation of the Model.

We have reconciled the Model current state against the high level blueprint components in Appendix 2 as provided by management. The scope of these components has been informed by various design documents and discussions with management. The reconciliation includes information relating to planned future work. This section also includes a narrative summary of the Model's implementation.

### 4.1 Budget and cost

The project's cost increased from the original July 2018 business case. The in-scope claims management activity was widened. The original budget was \$55m (excluding contingency) which increased to \$74m. Of the final costs approximately 28% (\$21m) was spent on the design of the Model and on the Launch Pad. Transition, integrated change and programme management accounting for a further 31% (\$23m). The remaining 41% (\$30m) relates to technology design, build and configuration.

The original budget allocated only \$7m (13%) to technology costs, with subsequent budget increases related to technology. The budget was first increased to \$73m, in February 2019, reflecting unexpected complexity in the technology solution. At this time the project scope for technology was changed to a minimum viable product. The second increase to \$74m, in September 2020, was due to an overspend related to the technology rollout. This included extra vendor time to support the release, user setup taking longer than budgeted and additional licence and support costs.

The increased operational cost of the Model relative to the pre-NGCM model was budgeted at \$2.6m per year in the July 2018 business case. This reflected leases for hub sites, technology licensing, Salesforce and telephony support. The actual increased cost at handover in September 2020 was \$4.6m due to higher-than-expected licencing and support costs for Salesforce. These costs do not cover the operation of the Path-to-Wellbeing Agile Release Train, which is the mechanism for future enhancements to the Model. Additional costs incurred since rollout include higher than expected "0800" number costs due to increased call wait times, volumes and use of mobile phones. FTE savings currently recorded as Model benefits will be partially offset by increased staff costs required in the broader claims operation.

The one-front-door initiative to drive an improved, consistent customer experience and create capacity for recovery teams required additional staff in the Contact Centre. No additional increased operational costs have been attributed to the project to date. The additional cost of continuous delivery enhancements, designed to improve benefit performance, are not being attributed to the project.

### 4.2 Delivery against the blueprint design

A high-level reconciliation of the Model's current state against the components of the blueprint design (Appendix 2) is shown in the table below. Some of the components of the blueprint design were funded to minimum viable product (MVP) for the NGCM project. The additional functionality of the blueprint design is to be delivered and funded through Continuous Delivery. The table shows which components were delivered against MVP. Where MVP was not delivered the outstanding functionality is described. The table also describes the planned activity to achieve the blueprint design.

Key to colours of Harvey Balls	
Black – Compared to MVP	● ◐ ◑ ◒
Blue – Compared to Blueprint	● ◐ ◑ ◒

Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
Claim triage (1)	Compared to MVP and blueprint: ●● Fully completed.	<p>An Engagement Decision Model enables the application of decision criteria to stream clients consistently according to business rules.</p> <p>Additional guidance has been implemented for staff to consider client and claim complexity factors during welcome conversations and client check-ins.</p>	<p><u>Future enhancements:</u></p> <p>Delivered model will be reviewed periodically in business as usual.</p>
A tiered support model based on client need (2)	Compared to MVP and blueprint: ●● Fully completed.	<p>An Enabled Recovery service for self-managed clients.</p> <p>An Assisted Recovery service for clients who benefit from periodic engagement but do not need an ongoing relationship with a case owner.</p> <p>A Supported Recovery service for clients who require a dedicated relationship with a case owner and holistic engagement.</p> <p>A Partnered Recovery service for vulnerable clients or those that are likely to require specialist rehabilitation support with intensive and extensive engagement.</p> <p>A Recovery Administration service to undertake administrative tasks allowing other teams to focus on client recovery and experience.</p> <p>The project was initially designed to cover Short-Term Claims Centre and branch claims. This was subsequently extended to all claims and functions within Client Service Delivery.</p>	<p><u>Future enhancements:</u></p> <p>As the tiered support Model embeds, management is still learning about Model performance. It may be valuable to conduct additional Internal Audit work over each recovery service once a there is a clearer view of performance drivers and operational targets are set (see section 5.3).</p> <p>Further work is required to validate that client outcomes are optimised in each stream (see section 7.2).</p>

<sup>2</sup> The numbers in brackets refer to the reference numbers in Appendix 2.



Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
Integration with an automated MyACC platform for clients (3)	Compared to MVP: ●	MyACC is implemented and available to all clients.	<u>Future enhancements:</u> Management has recently developed updated guidance to drive increased uptake of MyACC and drive true channel shift.
	Compared to blueprint: ●  Partially completed with plan to deliver the remainder.  Not completing this component results in higher task volumes in Assisted Recovery.	Blueprint expected high automation and light touch by staff.	<u>Plan to achieve blueprint design:</u>  Increased automation of MyACC for low complexity claims is planned, with approximately 90% of services expected to be automated by 30 June 2022. That means that of all the services that can be requested through MyACC, 90% of them will be straight through processed without the need for manual intervention.  Increased automation and greater uptake are intended to reduce the number of tasks that are manually actioned by ACC staff. The remaining services are in the Path-to-Wellbeing Agile Release Train backlogs for future prioritisation.  Outcome performance monitoring is required to ensure client recovery is optimised in myACC.
Welcome conversations (4)	Compared to MVP and blueprint: ●●  Fully completed.	Welcome conversations are designed to provide a high-quality onboarding experience for clients.  Guidance for these has been delivered to staff.  Welcome conversations are a Priority 1 task in the Model and timeliness is monitored.	<u>Future enhancements:</u>  The Path-to-Wellbeing Agile Release Train plans to re-design welcome conversations to improve the efficiency and effectiveness of the conversation.
A clear pathway for case management, applied at each level of support (5)	Compared to MVP and blueprint: ●●  Fully completed.	A backbone of priority tasks has been established for a client's journey.	<u>Future enhancements:</u>  Delivered model will be reviewed periodically in business as usual.

Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
		Backbone performance is reported to the Value Stream Boards.	
Knowledge management and decision support tools. (6)	Compared with MVP: ●	Operational processes, risk and controls have been documented in Promapp.  Guidance documents are available to staff including when to transition a claim and how to undertake a welcome conversation.	<u>Plan to achieve MVP:</u>  The claim-on-a-page and traffic light triage tools require improvement. These are in the Path-to-Wellbeing Agile Release Train backlog, with work expected to be delivered in April 2022.  There is a backlog of process maps to be included in Promapp. This is being prioritised and worked through iteratively.
	Compared with blueprint: ●  Partially completed.  Not completing this component impacts the ability of frontline teams to make decisions.	The blueprint design was for the knowledge management system to be integrated.	<u>Plan to achieve blueprint design:</u>  A knowledge management system has not yet been integrated with Salesforce, but work is underway to advance this.  Currently the knowledge content in Te Whariki is being cleansed following the migration from the Sauce/Chips.  The top processes will be tested with the Client Administration teams to ensure the right knowledge surfaces.  Wider rollout is dependent on an omnichannel solution being implemented.

Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
Workforce management (7)	Compared to MVP: ●	<p>MVP anticipated a rudimentary automated solution.</p> <p>Salesforce was installed as a temporary solution which provides the ability to identify the volume and type of work sitting in parts of the Model. Significant manual effort is required by the workforce team to separate types and priorities of work and assign them to sub-teams across the Model. Greater automation in the system and integration with emails and phone calls would save manual effort.</p>	<p><u>Plan to achieve MVP:</u></p> <p>Shared-inbox email optimisation is in the Path-to-Wellbeing Agile Release Train and an interactive voice response trial for Providers is underway with delivery scheduled before 30 June 2022.</p>
	<p>Compared to blueprint: ●</p> <p>Partially completed with no firm horizon to deliver the remainder.</p> <p>Not completing this component limits the ability to get the right tasks to the right people.</p>	<p>The blueprint design anticipates a fully integrated system that would enable automated capability streaming.</p>	<p><u>Plan to achieve blueprint design:</u></p> <p>A pilot for capability streaming (which links work types to staff skills and preferences) is ready to be scaled and operationalised in the Path-to-Wellbeing Agile Release Train (see section 7.2).</p> <p>A Technical Workforce Manager has been employed to model seasonality and staff changes. This is intended to allow for near and long-term forecasting to inform service levels. No delivery date has been set for this work.</p> <p>Management is exploring the possibility of a long-term solution with greater functionality.</p>
Performance and quality management (8)	Compared to MVP and blueprint: ● ●	<p>Performance and quality management reporting is provided to Leadership and Governance Groups. This includes task duration, which is monitored and action taken to address issues.</p> <p>The Model has integrated with Heartbeat which allows staff to</p>	<p><u>Plan to achieve MVP:</u></p> <p>Some claims are not being closed in a timely manner. The automatic “closure” of claims is being tested in the Path-to-Wellbeing Agile Release Train.</p> <p>An internal feedback mechanism between teams is</p>

Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
		<p>celebrate successes and respond quickly to any points of potential dissatisfaction through real-time feedback.</p>	<p>being trialled to improve the quality of information captured on a claim.</p> <p><u>Future enhancements:</u></p> <p>Performance and quality management will continue to evolve as the Model matures. Suitable performance and quality reference points will continue to be embedded, to ensure there are continuous improvement feedback loops in place for the Model. This will be enabled by key dependencies such as the establishment of a supportable, secure and reliable cloud data platform that meets our reporting, insights and analytical requirements.</p>
<p>A Provider Managed function (9)</p>	<p>N/A</p> <p>A provider Managed function is anticipated in the blueprint for the final Model but was not in scope for NGCM.</p> <p>Not completing this component results in higher claim volumes in other claim streams.</p>	<p>N/A</p>	<p>The Provider Managed function is a core part of the Model design, but to be delivered through the Health Sector Strategy.</p> <p>Provider-managed claims are still in a trial phase for Escalated Care Pathways with reporting of client recovery outcomes.</p> <p>80% of moderate to high complexity clients are expected to be accessing provider-led pathways by 30 June 2025.</p> <p>As provider-managed claims leave the trial phase and are scaled it is important to ensure outcome performance monitoring is maintained to ensure client recovery is optimised.</p>
<p>Predictive analytics (10)</p>	<p>N/A</p> <p>Predictive analytics is anticipated in the blueprint for the final Model but</p>	<p>N/A</p>	<p>The data models for predictive analytics are being produced by Customer Group and being implemented through the Path-to-Wellbeing Agile Release Train (see section 7.2).</p>

Blueprint component <sup>2</sup>	Level of completion	Delivered	Planned activity
	<p>was not is scope for NGCM. It was acknowledged as a key dependency in the business case.</p> <p>Not completing this component increases the manual effort required by staff.</p>		<p>In addition, Smart Services will ensure that the necessary services and equipment are recommended and/or provided at the right time during a client's recovery. This is awaiting prioritisation in the Path-to-Wellbeing Agile Release Train.</p> <p>Claims modelling to identify off track claims is being undertaken by Customer Group and is led from the Path-to-Wellbeing Agile Release Train.</p>

#### Improvement Opportunities:

- As the tiered support Model embeds, management is still learning about Model performance. It may be valuable to conduct additional Internal Audit work over each Recovery Team and MyACC once there is a clearer view of performance drivers and operational targets are set (see section 5.3).
- Establish suitable performance monitoring over MyACC and provider-managed claims to ensure outcomes are optimised.

## 5. Benefits and Performance.

### 5.1 Benefit realisation is in its early stages and there are uncertainties related to long-term and holistic performance assessment.

The performance of the Model against its Benefit Realisation Plan was assessed in November 2021 by the Value Management Office (VMO). The VMO is forecasting \$438m benefits against a target of \$500m and a cost of \$74m by 2030. This represents a return-on-investment ratio of 5.9:1, which is consistent with entity expectations.

The benefits horizon for the Model extends to FY30. To date, there has been only one full calendar year of Model performance used to forecast benefits. Although the Model rollout commenced in August 2019, some benefits have been recognised from Launch Pad and FTE savings during FY18 and FY19. Of the expected forecast benefits of \$438m, \$379m (87%) is forecast for future financial years.

\$253m (58%) of the forecasted \$438m relates to productivity (FTE cost) savings. The impact of achieving or failing to achieve one benefit target on the others has not been quantified. For example, staff reductions could lead to poorer responsiveness to clients and therefore poorer rehabilitation outcomes. Claims remaining open longer, due to poorer outcomes and inactive claims (see section 4.2), would in turn inflate productivity measures. Similarly, exceptional performance in reducing the number of vocational rehabilitation referrals may, in turn, decrease performance for weekly compensation days paid. A tighter employment market is likely to have contributed to higher staff turnover, which may impact the stability of the Model and benefit performance.

There are uncertainties in the medium-term operating environment and given the length of the benefits runway, there is uncertainty in the benefits projection. Some of the tactical cost savings achieved, such as efficiency, may potentially be reversed in the pursuit of client and claim outcomes.

Non-financial benefit performance (including improved recovery outcomes) has not yet been assessed by the VMO. The benefit targets for client NTS and employee net promoter scores have not yet been achieved. Note that the benefit target for client NTS is set at +45 which is considerably higher than the Service Agreement target which was set at +26 for FY21 and +31 for FY22.

[Improvement Opportunities: The interrelationship between the achievement of different benefits could be better understood. Further analysis of benefit performance \(including non-financial benefits\) could be undertaken by the VMO with uncertainties highlighted.](#)

## **5.2 Some benefit measures cannot be directly attributed to NGCM.**

The Actuarial and Operational Performance and Intelligence teams have identified it is difficult to attribute performance and benefits changes to any one of the initiatives. The Model is one of several projects that, together, comprise the ICIP investment. For weekly compensation days paid, the original target set for ICIP was a reduction of 5.5 days. The Model was expected to deliver 1.25 days of the ICIP target. Weekly compensation days paid (29-365 days) performance has deteriorated since rollout commenced which continues the trend noted pre-rollout.

External factors changed during the implementation of the Model. The COVID-19 lockdowns in 2020 and 2021 have had a significant impact. This has impacted claim mix with a reduction in new low-complexity claims that are comparatively fast to close. There will be a further impact from the COVID-19 Alert Level 4 lockdown in 2021.

Management has also identified several other factors in the wider health sector, such as increases in medical certification, surgery timeliness, and the timely provision of other treatment and rehabilitation services, that have impacted rehabilitation and weekly compensation performance.

As a result, long-term rehabilitation rates, as well as short-term rates, have also deteriorated.

## **5.3 The performance reporting story is complex and therefore the impact of the Model is not clear.**

There is extensive reporting relating to the drivers of operational claims performance but the impact of performance on claims outcomes is not clearly demonstrated in Value Stream Board performance reporting and ICIP benefit targets. There was no comparable reporting of operational performance drivers prior to the rollout of NGCM. In addition, pre-NGCM performance drivers were obscured by the variable practice across the branch network pre-change.

Given the above, it is not possible to conclude on:

- The impact of the Model on client outcomes.
- The impact of undelivered or partly delivered initiatives that the Model design placed reliance on to produce benefits.
- The likely performance shift that will result from future enhancements planned to the Model.

To improve performance reporting, work is underway to:

- Identify the operational drivers of performance and draw a clearer link between these and high-level performance metrics reported to Value Stream Boards.
- Scale and operationalise claims modelling to understand when a claim is likely to go off track. As well as intervening in these cases, ACC would benefit from learning from claims that exhibit good performance traits.

[Improvement Opportunities: ACC should link operational performance metrics to client outcome measures.](#)

## **6. Lessons learned for future projects.**

### **6.1 Balanced, well-planned and phased migrations of data and clients are critical to reduce implementation risk.**

- The migration of data and clients was successfully completed when implementing the Model, with no significant issues immediately identified.
- Rollout was completed with minimal delay (one month) to the final overall schedule. This was despite the Alert Level 4 COVID-19 lockdown requiring a change in delivery approach mid-flight.
- A phased rollout allowed lessons from early tranches to be applied to later tranches.
- In hindsight, the Acting Chief Executive has acknowledged that that claims migration could have been better aligned to staff migration to avoid a build-up of overdue tasks in Assisted Recovery.

### **6.2 Maximising the use of ACC staff was beneficial to the project and ongoing operation of the Model.**

- Reliance on ACC staff allowed consultants to be released in alignment with the project schedule and budget.
- Involving staff in project delivery built in-house capability.
- The use, and retention of, ACC staff in the pilot ensures that intellectual property relating to the Model is retained.

### **6.3 Dedicated support and good communication is key to delivering change.**

- Effective transition support was provided to front-line teams with Practice Mentors focusing their support on each tranche in turn. Tranche 1 was particularly well supported with an extended rollout required for the technology solution. Remote rollout during the Alert Level 4 Covid-19 lockdown impacted on the quality of training and post rollout support for Tranches 3 and 4.
- The Model delivered regular, predictable forums for two-way communication between management and staff. A core principle of communication through transition was to provide staff with the earliest possible certainty over their roles and with extensive, well-written documentation issued for the consultation process.

### **6.4 The performance of the Model for existing claims should have been tested in the pilot.**

- Some aspects of the Model were refined and tested in Launch Pad to clarify requirements and challenges prior to full-scale implementation.
- Launch Pad performance was assessed by bringing new claims into the new model and comparing them to a business as usual cohort of claims. The benefit areas targeted by NGCM performed better in Launch Pad, which was assessed in three stage gates with the ACC Board. Factors affecting benefit performance, in addition to the underlying Model being tested, should have been considered including: a highly motivated cross-functional hand-picked team operating closely together, an ability to limit the volume of claims being managed, and managing proportionally simpler claims than the business as a whole.
- During transition existing branch claims were moved into the tranches as they rolled out. New claims were maintained in business as usual until the final tranche rollout. Consequently, the claim mix in the early tranches included more complex and longer-term claims. In August 2020, claims that had started in the NGCM Model were showing better performance than claims that started pre-NGCM. It is more likely that the performance of pre-NGCM legacy claims would have been better understood if they had been included in Launch Pad.

## **6.5 Scope changes are likely to have impacted benefit realisation.**

- Following clarification of technology complexity required to scale, and with increasing costs, the original planned technology scope changed to a minimal viable product. Future enhancements are funded and delivered through a continuous delivery investment stream to continually refine and enhance staff experience and client outcomes and experience. Section 4.2 of this report sets out the differences we have identified between the project's planned blueprint (Appendix 2) and the implemented minimum viable product.
- The February 2019 Board paper concluded that there would be no impact on benefit performance from the descope technology. However, many of the items identified as current pain points, impacting performance, can be traced to the items descope at the point of transition to business as usual.
- Use of an out-of-the-box Personal Injury claim type to de-customise the Eos claims management system was deferred to an unspecified future, post-rollout delivery, date. Therefore, the project objective to remove complexity was not met.
- Enabled Recovery claims are expected to only require ACC staff involvement when they are off track. Off track analysis is not yet in place and Enabled Recovery claims require ACC staff involvement due to a lack of automation. Therefore, this is likely to be a source of inefficiency in this type of claims performance.

## **6.6 Whāia Te Tika needs to be part of initial project design.**

- The initial design phase did not include a co-design process with Māori or any references to equity. As a result, when a representative from the Māori Cultural Capability Rōpū was included in Launch Pad, there was insufficient understanding of the current Māori experience and Māori customer needs to address equity in the Model.
- Management has, since rollout, included Māori client net trust score and lodgement ratio in its Value Stream Board reporting and has started a limited scope Hāpai claims-management trial, with some data metrics and monitoring in the design phase. The Hāpai trial is expected to complete by 30 June 2022. A version of Hāpai, based on the trial evaluation is intended to be rolled out by 30 June 2025.
- While not an issue concerning NGCM, we note the risk of an Agile project descope Whāia Te Tika and recommend that such descope only occur with the approval of the Tumu Pae Ora.

## **7. Lessons learned for claims management.**

### **7.1 The volume of change needs to be carefully managed.**

- The Model is, by design, subject to continuous change. Current initiatives delivering change include the Path-to-Wellbeing Agile Release Train, the Health Sector Strategy and management's case management action plan. Change needs to be carefully managed to ensure it is embedded and that performance is not negatively impacted.
- Consistent messaging and training are important to ensure changes are implemented consistently across teams and locations and that the stability and integrity of the Model is maintained. Management is recruiting additional Practice Mentors to support recovery team staff and increase the latter's speed-to-competency.
- In a continuous change environment, dedicated change management must be delivered well to understand and manage the impact on staff over the whole initiative.



## **7.2 Client and claim triaging based on complexity should to be revisited.**

- The Engagement Decision Model is limited by the business rules set for it. Approximately 20 factors were identified that impact client complexity and need. Until the dynamic lodgement project is completed, initial triage is based on injury code and expected claim outcomes (ECO). ECO incorporates several client factors including age, occupation, previous history, work type and location to help determine the complexity and timeframe for recovery.
- The Engagement Decision Model is not able to continually evaluate the ongoing complexity of clients and claims once the initial allocation is made. This is the responsibility of the recovery service teams to evaluate when considering transition of the client to another team. Evaluation of transitions to date has been limited and it is not known what a “good” level of transitions would be. An initiative in workforce management analytics has been identified to automate the transition of claims and clients between recovery teams when appropriate.
- Claim complexity could be a factor impacting the performance of the Model. There is an opportunity to analyse this further and adjust triage rules and staffing levels in the Model accordingly.
- Advanced analytics work underway that is related to claim and client complexity includes:
  - Determining whether a client is on-track with their optimal recovery pathway given their individual circumstances. A first early intervention model has been validated and tested and is awaiting scaling and operationalising through the Path-to-Wellbeing Agile Release Train.
  - Initiating a client check-in contact when there are indications that a client may need additional help. This has been operationalised in Supported and Partnered Recovery using Heartbeat. Rollout to Assisted Recovery has been delayed due to work pressures. Technology to support the check-in initiative at scale is not yet in place.
  - Workforce management analytics to understand client complexity and ensure that clients are allocated to case managers with the correct level of experience and capability. Phase one of this initiative is awaiting scaling and operationalising through the Path-to-Wellbeing Agile Release Train.

## **7.3 Areas of the business not in scope for the project have affected the performance of the Model.**

- The initial design had a narrow view of the claims and services that would be managed through the Model. Taking an end-to-end approach to claims management design will align all services that support client recovery.
- Clinical Services FTE and workforce planning were not in scope of NGCM. A hotline is available for rapid clinical advice. Written guidance takes 13 days (based on a four-week average) as at 28 August 2021. The expectation was a one-to-two-day turnaround except for highly complex requests. An assessment on workflow process management is being conducted, with BPI support, to understand this performance and ensure reporting accuracy.
- The Contact Centre handles a high proportion of inbound claims calls. Since May 2021 one-front-door has been implemented with an additional 72 staff recruited in the Contact Centre. This should enable the recovery teams to focus on higher priority tasks although results to date have been limited.

## **7.4 It is important to understand how tasks are operating in the Model to ensure improvement actions are correctly targetted and sustainable.**

There are a number of areas uncovered at scale that have created inefficiencies or unnecessary work. Understanding the full impact of any tasks definition and breakdown is important. Some examples include:

- Claims reopened by the Administration team to load documents generate unnecessary welcome conversation tasks which then must be cancelled. The thresholds that trigger welcome conversations are currently being investigated.
- A common outcome of work performed on a task is that the due date for that task is changed to a future date. This impacts productivity measures as the task is not completed.
- In August 2021, 11,090 claims were identified in Assisted and Enabled Recovery that were active in the system but should have been “closed”. These claims accounted for 3,202 open tasks. The criteria for identifying these claims was relatively conservative, meaning that the number of claims unnecessarily open could have been higher. Triage reviews are ongoing. Additionally, analysis of the high number of inactive claims is underway.
- Task generation needs to be considered alongside task prioritisation and carefully balanced with workload and recovery outcomes. If emails and phone calls are not answered promptly, they may generate more client and provider contact and, in turn, more tasks. To avoid a continuous “firefighting” situation, maintaining performance gains in one task type is balanced with improving performance in other areas.
- Initiatives in workforce management analytics have been identified to identify and remove tasks that require no action from queues and to eliminate double and triple handling of tasks by routing tasks directly to the relevant team.
- A fundamental part of the early Model design was to move away from front-line performance targets that drove unintended and detrimental claim behaviours. Front-line task management is focussed on efficiency. Potential unintended consequences of this are unknown but could foreseeably impact on quality. Another workforce management analytics initiative is to assess and recommend key staff performance metrics to understand individual performance more accurately.
- Changing in-bound phone calls to One Front Door has been successful as clients whose call cannot be resolved by the Contact Centre are prepared to wait longer to speak to a recovery team member. This has helped manage client expectations and understand appropriate service levels.

## **8. Privacy.**

ACC has recently commissioned an independent review of client information management. Observations from our review of privacy control design in the NGCM project are included in this section.

### **8.1 Privacy was a core design principle of the Model.**

Privacy was considered in design documents pre, during and post implementation of the Model. The Privacy team completed a Privacy Threshold Analysis for Launch Pad which was assessed to have neutral privacy risk. Privacy compliance, risks and controls for the overall Model were documented in the Privacy Impact Assessment (PIA) and on the project risk register. Privacy by Design was built into the Model at a component level, such as MyACC.

### **8.2 Privacy Impact Assessments should prioritise maintaining a strong control environment during a change process.**

The Privacy Team provide regular reporting of privacy breach trends and root causes to the Operations Group. In the 12 months to August 2021, level 1 privacy breaches<sup>3</sup> across Operations Group has increased

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<sup>3</sup> The privacy incident impact calculator is used to assess the actual and potential impact of privacy incidents. Impact level 1 is described as “Minimal. Small number of people are affected with little or no potential or actual harm. Little or no indication of systemic problems. The incident most likely won’t get media interest.”

from an average of 22.9 per month to 43.4 per month. Manual controls require strengthening and a technical fix is scheduled in the Path-to-Wellbeing Agile Release Train to address a large contributor of current breaches.

The Model changed claims management staff, teams, technologies, processes and ways of working. Privacy was built into the operating rhythm including in training and buzz boards. However, some frontline leaders observed that the strong privacy awareness and culture that had previously been operating deteriorated while new operating rhythms were established. That drop in focus may have contributed to an increase in level 1 impact privacy breaches occurring.

The PIA articulated risks pertaining to the implementation of NGCM. However, the impact of a significant change management programme on privacy management behaviours was not assessed.

**Lesson Learned: Privacy Impact Assessments should consider not just the process change itself but also the impact of the change disruption to staff and its impact on privacy in the short term. This lesson also applies to any hygiene, compliance or behavioural expectation that ACC holds to be important.**

### **8.3 Work is underway to reset privacy culture and practices in Operations.**

Claim management teams are refocussing on privacy and have developed several privacy enhancement initiatives. These include sharing key privacy messages, practices and lessons learnt through buzz meetings and coaching sessions. The establishment of the Privacy Working Group (a collaboration between Operations and the Privacy Team) and quarterly actions plans enable the claims functions to have a consistent, transparent and connected approach to privacy practices and management.

The Privacy Working Group has proposed technical fixes, which are scheduled in the Path-to-Wellbeing Agile Release Train, to prevent common breaches due to:

- The incorrect selection of providers in Eos and the Medical Fees Processing Systems.
- A mix up of providers and/or third parties.

Further collaboration between the Privacy Team and the Operations Group could enhance current privacy practices. Privacy training is one opportunity for collaboration. Training could be improved by including practical applications of privacy controls and processes specific for front-line teams and support functions.

**Improvement Opportunity: The Privacy team and Operations Group work together to enhance privacy training.**

While privacy breaches are monitored and reported there are no metrics in place for level 1 and 2 privacy breaches. Effectively designed metrics such as Key Risk and Control Indicators would help management to understand the performance of privacy controls and impact on incident risk. KPIs for Level 1 and 2 were removed by the Privacy Team after observing their presence created an unintended consequence: staff felt incentivised to not report their breaches so they could meet the “target”. The incentives and transparency of information needs to be balanced. The Privacy Team have indicated that they will continue to iterate their reporting to the Executive and the ACC Board.

**Improvement Opportunity: The Privacy team could reconsider setting Key Risk and Control Indicators for level 1 and 2 breaches to be able to assess intervention cost:benefit trade offs.**

### **8.4 Sensitive claims access was considered from a change perspective.**

Sensitive claims privacy risks specific to the Model were considered in the NGCM PIA. Pre-NGCM sensitive claims were managed in a specific unit. In the Model, specialist recovery partners, based in eight locations around the country, manage sensitive claims. The processes and systems to grant and monitor access were unchanged. The PIA identified that there might be an increased perception of risk as the nature of the roles supporting sensitive claims changed. This risk was managed by engaging with the Privacy Commissioner and sector stakeholders, and training front-line staff.

In November 2019, Internal Audit reviewed sensitive claims access in Tranche 1<sup>4</sup>. This review confirmed that Tranche 1 staff who had been granted Eos secured actions for sensitive claims had designated roles requiring sensitive claims access and had received approval from the Sensitive Claims Portfolio Manager. However, on-going access and monitoring controls required strengthening for the business-as-usual environment. The following remediation activity is in the Path-to-Wellbeing Agile Release Train:

- Within Eos, several access permissions are used to assign access to sensitive claims data. To substantiate employees who have been granted sensitive claims access relies on all Eos permission points being accurately identified. Some legacy permissions that were established pre-NGCM are being decommissioned which will help to simplify ongoing security and access management.
- Processes are being developed and technology designed to give greater oversight and understanding of how our staff are accessing sensitive claims information to help fulfil the core function of their role. This understanding will be used to give staff access to only the fields they need rather than the whole file.
- Monitoring controls to identify whether people are accessing information they do not need to perform their role will be possible once the role-based access criteria is designed.

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<sup>4</sup> NGCM user roles and security for Dunedin rollout, Internal Assurance Review, 4 November 2019.

## Appendix 1 – Scope and Approach of Post Implementation Review.

### Scope.

- Operation of model compared to the Service Blueprint (Appendix 2) and Board approved model.
- Lessons learnt from the transition approach.
- Early post-implementation issues identification and approach to resolution.
- Inclusion of Whāia Te Tika principles in the model.
- Privacy by Design assessment included:
  - Key decisions made regarding privacy risks, risk acceptance and controls during the implementation of the NGCM operating model.
  - Whether privacy issues and breaches within the case management model are identified, resolved and reported.
  - The above assessments considered the privacy of clients' personal information in general, but also for areas of higher risk (for example, sensitive claims).

### Out of Scope.

This was not a review of the NGCM programme methodology.

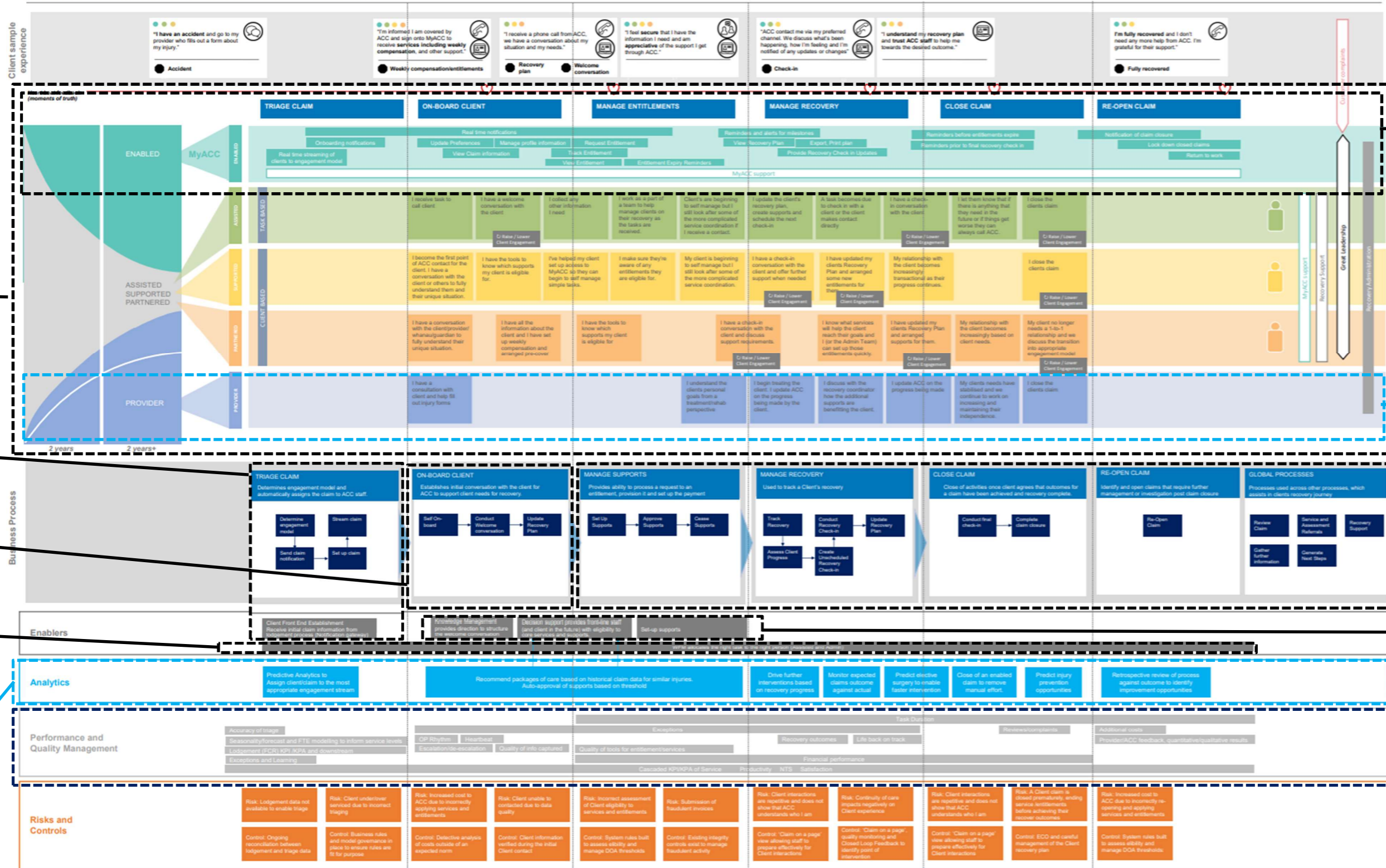
The post implementation review provides a broad view over the implementation of the model and an assessment of privacy by design. The review did not go into a high level of detail over all the component parts. Areas are identified which may require further detailed analysis by the business or through future deep dive internal audit reviews.

### Approach.

The review was performed through:

- Review of the original design documents and key decision/board papers. Assessment of the consistency of message in each document.
- Review of Independent Quality Assurance and other contemporary reviews, relying on the findings of these where possible. Conclusions about the transition approach were used with any gaps addressed in this review. Where relevant, we also considered progress against or the impact of previous recommendations.
- Comparison of the current operational design documents to the original design documents. Understanding the rationale and risk assessment for changes from the original design.
- Reviewing the technology delivered compared to the design and considering the impact of changes. Understanding the rationale and risk assessment for changes from the original design.
- Document review and interview to understand the advantages and disadvantages to the transition approach employed. Identifying lessons for future transition programmes.
- Document review and interview to understand issues (including Assisted Recovery and Cover Assessment) that have arisen post implementation and the resolution approach.
- Reviewing management of task build-ups.
- Reviewing benefits identification and tracking and assessing delivery to date.
- Reviewing actual project cost against budget.
- Document review and interview to understand how Privacy by Design was included in the operating model, the key decisions made in relation to managing privacy risks and how breaches arising from the operating model are being identified, resolved and reported.

Service Blueprint: Next Gen Case Management - End to End design



(2) Tiered support

(1) Triage

(4) Welcome conversation

(7) Workforce management

(10) Predictive analytics

(3) MyACC integration

(9) Provider managed

(5) Pathway

(6) Knowledge management

(8) Performance and quality management

## Appendix 3 – Interviewee List.

### Chief Operating Officer

#### Actuarial

Manager, Actuarial Monitoring and Insight  
Actuary

#### Architecture

Enterprise Architect  
Systems Architect

#### Business Performance and Planning

Finance Business Partner x2

#### Business Process Improvement

Business Process Improvement Manager  
Business Process Improvement Lead

#### Client Recovery

Head of Client Recovery  
Manager, Māori Health  
Manager, Supported Recovery  
Manager, Assisted Recovery  
Manager, Partnered Recovery  
Product Manager  
Manager Strategic Integration  
Client Service Leader (Supported) x2  
Client Service Leader (Partnered)  
Client Service Leader (Assisted)

#### Clinical

Manager, Clinical Oversight and Engagement  
Clinical Advice Manager

#### Customer Solutions

Manager, Advanced Analytics Solutions

### Customer System and Intelligence

Lead Advisor Voice of the Customer  
Lead Advisor Customer Experience Management  
Senior Strategy Advisor

#### Digital Channels

Manager, Channel Operations  
Manager, Digital and Channel Evolution

#### Enterprise Portfolio Delivery

Benefits Lead

#### Māori and Cultural Capability

Head of Māori and Cultural Capability

#### Operational Performance and Intelligence

Head of Operational Performance and Intelligence  
Performance Manager  
Operational Analytics Manager  
Operations Analyst

#### People Change and Partnerships

Manager, Change Enablement

#### Strategic Integration

Product Manager  
Product Owner

#### Support and Capability

Head of Support and Capability  
Manager, Technical Services  
Manager, Workforce Management  
Manager, Claims Assessment  
Manager, Client Administration  
Manager, Knowledge and Capability  
Manager, Operations Payment

## Appendix 4 – List of Document’s Reviewed.

### Board Papers by date

Next Generation Case Management Update	30 March 2017
Updated: Next Generation Case Management Business Case	2 November 2017
Next Generation Case Management Update	31 January 2018
Next Generation Case Management Stage Gate 2 Results	31 May 2018
Next Generation Case Management Funding Request	29 June 2018
Next Generation Case Management Stage Gate 3 Results and Roll out Implications	30 August 2018
Next Generation Case Management Roll Out Update	24 January 2019
Next Generation Case Management Approach and Financial Update	28 February 2019
Next Generation Case Management Performance Update	28 February 2020
Next Generation Case Management Performance Update	30 September 2020

### Internal Audit and Independent Quality Assurance Reports by date

Review of Next Generation Case Management	October 2017
Next Generation Case Management, Review 2: Ready for Ramp up?	December 2017
Targeted Assessment (TA12 Part2) - PLM – Implementation Readiness	7 February 2018
November Release Next Generation Case Management – Streamlined Pre-Implementation Review, Memorandum 1	3 December 2019
November Release Next Generation Case Management – Streamlined Pre-Implementation Review, Memorandum 2	16 December 2019
Targeted Assessment (TA16) – Next Generation Case Management – Delivery Planning	19 December 2018
Next Generation Case Management, Design Assurance Review of Controls and Security	11 January 2019
Targeted Assessment (TA16) – Next Generation Case Management – Delivery Planning	15 February 2019
Targeted Assessment (TA26) – Next Generation Case Management options, cost and schedule	15 February 2019
Targeted Assessment (TA29) – Next Generation Case Management Current State Assessment	27 June 2019
Targeted Assessment (TA23) – NGCM Pre Go-Live Implementation	30 July 2019
Targeted Assessment (TA30) – NGCM and CP2(A) Joint Release Pre Go-Live	24 October 2019
Memorandum 03 – NGCM User Roles And Security for Dunedin Rollout	4 November 2019
Claims Management Governance and Oversight	November 2020

### Other Documents by name

Absent Employee’s Client Service Delivery Phase Three Consultation	5 April 2019
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Benefits Realisation Plan, Next Generation Case Management	Last Updated September 2020
Business Investment Case, Next Generation Case Management	27 July 2018
Case Management 2.0, Blueprint detailed set of materials	23 March 2017
Case Management 2.0, Pre-read for Steering Committee II	8 December 2016
Choosing the Right Recovery Team	5 August 2021
Claims Assessment Blueprint, Presentation to Operations Design Group	3 August 2021
Claim volume analysis, Weekly compensation growth	August 2021
Client Service Delivery, Phase Three Consultation, Final Decision Document	5 June 2019
Client Service Delivery, Phase Three Consultation and Feedback, Proposal for consideration	3 April 2019
Client Service Delivery, Phase Three Decision, Questions And Answers	5 June 2019
Client Welcome Conversation, During a Call – Guidelines	10 May 2021
Client Workstream Benefit Performance Report	November 2021
Client Workstream Board, Minutes	12 October 2018
Closed Claims Review	3 February 2017
CSD EOI – Letter Outcome Guide	6 June 2019
Draft Case Management 2.0, Factbase	6 December 2016
Drivers of Weekly Compensation volume growth – Summary of findings (Updated)	16 September 2019
Eligibility for Redundancy Compensation	12 April 2019
EMD Evaluation 2.0	November 2020
Engagement Action Plan	Accessed December 2021
Fortnightly Performance Report	14 August 2021
Fortnightly Performance Report	28 August 2021
Fortnightly Performance Report	23 October 2021
Integrated Change Investment Portfolio and Enterprise Change Portfolio Quarterly Update	Quarter 3, Financial Year 2020/21
Integrated Change Investment Portfolio and Enterprise Change Portfolio Quarterly Update	Quarter 4, Financial Year 2020/21
Integrated Change Investment Portfolio, Strategic Case	March 2018
Lean End Phase Report – NGCM	5 March 2020
Lean End Project Report – Next Generation Case Management (NGCM)	30 September 2020
Manage Hotline Demand for Clinical Guidance Project, Findings Report	July 2021
Next Generation Case Management Fundamentals, A reminder of original design principles	September 2021
Next Generation Case Management, Privacy Impact Assessment	September 2019
NGCM Handover, Non-MVP Scope for Future Consideration	7 February 2020

One Front Door review and recommendations	28 September 2021
Operating Rhythm and Quality and Performance	15 June 2020
Organisational Change Policy	15 January 2020
Path to Wellbeing, Value Stream Board Meeting	August 2021
Path to Wellbeing, Value Stream Board Meeting	October 2021
Privacy Threshold Analysis, Privacy Team Response	23 August 2017
Process Knowledge – Te Whāriki & Promapp, Governance Improvements	14 September 2021
Project Initiation Document, Shaping our Future	February 2014
Project Plan – Sensitive Claims EoS Access	17 August 2021
Recommendations paper, Inference of health system experience on AWCDP	11 May 2021
Re-open Claim (Model Support)	28 September 2021
Re-open Claim Decision Tree	28 September 2021
Resource Modelling	17 April 2019
Risk and Controls Matrix	November 2018
Rollout State Design	4 October 2018
Shaping Our Future Transformation Programme Business Case (Updated)	30 November 2015
Te Wero: Te Ara Kōmihana i ngā rātonga kaupapa Māori ki Te Ara Te Kaporeihana Āwhina Hunga Whare, The Challenge	May 2020
Transition Weekly Update	10 October 2019
Value Stream Performance Update	July 2021
Value Stream Performance Update	August 2021
Value Stream Performance Update	September 2021
Weekly Performance Report	20 February 2021
Whetū Mārama, Managed Client Survey	Accessed December 2021
Whole of Person Design Decision	28 September 2021
Workload Discussion	31 August 2021

**Appendix 5 – Management Comment Update**

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
Claim triage	<p>Compared to MVP and blueprint: ●●</p> <p>Fully completed.</p>	<p>An Engagement Decision Model enables the application of decision criteria to stream clients consistently according to business rules.</p> <p>Additional guidance has been implemented for staff to consider client and claim complexity factors during welcome conversations and client check-ins.</p>	<p><u>Future enhancements:</u></p> <p>Delivered model will be reviewed periodically in business as usual.</p>	<p>N/A with regards to completing blueprint. Ongoing improvement activity will continue in business as usual (BAU).</p>
A tiered support model based on client need	<p>Compared to MVP and blueprint: ●●</p> <p>Fully completed.</p>	<p>An Enabled Recovery service for self-managed clients.</p> <p>An Assisted Recovery service for clients who benefit from periodic engagement but do not need an ongoing relationship with a case owner.</p> <p>A Supported Recovery service for clients who require a dedicated relationship with a case owner and holistic engagement.</p> <p>A Partnered Recovery service for vulnerable clients or those that are likely to require specialist rehabilitation support with intensive and extensive engagement.</p> <p>A Recovery Administration service to undertake administrative tasks allowing other teams to focus on client recovery and experience.</p> <p>The project was initially designed to cover Short-Term Claims Centre and branch claims. This was subsequently extended to all claims and functions within Client Service Delivery.</p>	<p><u>Future enhancements:</u></p> <p>As the tiered support Model embeds, management is still learning about Model performance. It may be valuable to conduct additional Internal Audit work over each recovery service once there is a clearer view of performance drivers and operational targets are set (see section 5.3).</p> <p>Further work is required to validate that client outcomes are optimised in each stream (see section 7.2).</p>	<p>N/A with regards to completing blueprint. Ongoing improvement activity will continue in BAU.</p>

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
Integration with an automated MyACC platform for clients	Compared to MVP: ●	MyACC is implemented and available to all clients.	<p><u>Future enhancements:</u></p> <p>Management has recently developed updated guidance to drive increased uptake of MyACC and drive true channel shift.</p>	N/A with regards to completing blueprint. Ongoing improvement activity will continue in BAU.
	<p>Compared to blueprint: ●</p> <p>Partially completed with plan to deliver the remainder.</p> <p>Not completing this component results in higher task volumes in Assisted Recovery.</p>	Blueprint expected high automation and light touch by staff.	<p><u>Plan to achieve blueprint design:</u></p> <p>Increased automation of MyACC for low complexity claims is planned, with approximately 90% of services expected to be automated by 30 June 2022. That means that of all the services that can be requested through MyACC, 90% of them will be straight through processed without the need for manual intervention.</p> <p>Increased automation and greater uptake are intended to reduce the number of tasks that are manually actioned by ACC staff. The remaining services are in PART backlogs for future prioritisation.</p> <p>Outcome performance monitoring is required to ensure client recovery is optimised in myACC.</p>	<p>Automation of Client Travel Reimbursements enables clients to request reimbursement of travel costs through MyACC, with automated reimbursement. This improves client services and creates efficiencies. (Early May 2022).</p> <p>Clients who are working part-time following injury will be able to advise their earnings via MyACC and receive an automated adjustment to their weekly compensation payment, removing manual interactions and tasks. (Mid-May 2022).</p> <p>Further automation activities will be pursued in ongoing improvement activity in BAU.</p>
Welcome conversations	<p>Compared to MVP and blueprint: ●●</p> <p>Fully completed.</p>	<p>Welcome conversations are designed to provide a high-quality onboarding experience for clients. Guidance for these has been delivered to staff.</p> <p>Welcome conversations are a Priority 1 task in the Model and timeliness is monitored.</p>	<p><u>Future enhancements:</u></p> <p>The Path-to-Wellbeing Agile Release Train plans to re-design welcome conversations to improve the efficiency and effectiveness of the conversation.</p>	N/A with regards to completing blueprint. Ongoing improvement activity will continue in BAU.

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
A clear pathway for case management, applied at each level of support	Compared to MVP and blueprint: ●●  Fully completed.	A backbone of priority tasks has been established for a client's journey.  Backbone performance is reported to the Value Stream Boards.	<u>Future enhancements:</u>  Delivered model will be reviewed periodically in business as usual.	N/A with regards to completing blueprint. Ongoing improvement activity will continue in BAU.
Knowledge management and decision support tools.	Compared with MVP: ●	Operational processes, risk and controls have been documented in Promapp.  Guidance documents are available to staff including when to transition a claim and how to undertake a welcome conversation.	<u>Plan to achieve MVP:</u>  The claim-on-a-page and traffic light triage tools require improvement. These are in the Path-to-Wellbeing Agile Release Train backlog, with work expected to be delivered in April 2022.  There is a backlog of process maps to be included in Promapp. This is being prioritised and worked through iteratively.	Claim on a page presents key client information on one page. Currently staff need to look across multiple platforms to find claims information. Work is underway to place key information in one location to provide clearer visibility of claim information, better service and through that, a better route to recovery outcomes. (Phase One: complete mid-May; all planned information complete by end 2022).  We will be developing enhanced documentation and learning content to support recovery at work, claim transitions, early risk screening and the Vocational Independence Process. These areas of focus most impact on improved rehabilitation performance and require front-line capability development. (End June 2022).  Other areas of knowledge will be improved on an ongoing basis in BAU.
	Compared with blueprint: ●  Partially completed.  Not completing	The blueprint design was for the knowledge management system to be integrated.	<u>Plan to achieve blueprint design:</u>  A knowledge management system has not yet been integrated with Salesforce, but work is underway to advance this.	We are currently in the final stages of linking knowledge to client administration tasks through Salesforce. This will improve quality of decision-making and create efficiencies, by simplifying access to decision-support information. (End April 2022).

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
	this component impacts the ability of frontline teams to make decisions.		<p>Currently the knowledge content in Te Whariki is being cleansed following the migration from the Sauce/Chips.</p> <p>The top processes will be tested with the Client Admin teams to ensure the right knowledge surfaces.</p> <p>Wider rollout is dependent on an omnichannel solution being implemented.</p>	Once full omnichannel solution available, can implement same functionality to all functions in the model. (Estimate end 2023).
Workforce management (7)	Compared to MVP: ●	<p>MVP anticipated a rudimentary automated solution.</p> <p>Salesforce was installed as a temporary solution which provides the ability to identify the volume and type of work sitting in parts of the Model. Significant manual effort is required by the workforce team to separate types and priorities of work and assign them to sub-teams across the Model. Greater automation in the system and integration with emails and phone calls would save manual effort.</p>	<p><u>Plan to achieve MVP:</u></p> <p>Shared-inbox email optimisation is in the Path-to-Wellbeing Agile Release Train and an interactive voice response trial for Providers is underway with delivery scheduled before 30 June 2022.</p>	Email optimisation enables front-line staff to email directly from within Salesforce, rather than a separate email system, creating efficiencies, and visibility of this work. (End April 2022).
	Compared to blueprint: ●  Partially completed with no firm horizon to deliver the remainder.	The blueprint design anticipates a fully integrated system that would enable automated. capability streaming.	<p><u>Plan to achieve blueprint design:</u></p> <p>A pilot for capability streaming (which links work types to staff skills and preferences) is ready to be scaled and operationalised in the Path-to-Wellbeing Agile Release Train (see section 7.2).</p> <p>A Technical Workforce Manager has been employed to model seasonality</p>	<p>Once a claim is triaged in the EDM and allocated to a recovery team, capability streaming will route that piece of work to the right individual with the right capabilities to get to the best outcome. Streaming will be based on customer and claim level data to determine the attributes and complexity of the work and align with frontline capabilities.</p> <p>We have been testing and progressively implementing capability streaming within</p>

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
	<p>Not completing this component limits the ability to get the right tasks to the right people.</p>		<p>and staff changes. This is intended to allow for near and long-term forecasting to inform service levels. No delivery date has been set for this work.</p> <p>Management is exploring the possibility of a long-term solution with greater functionality.</p>	<p>Supported Recovery using a tactical solution. This automates the allocation of hundreds of tasks and claims each day, enabling clients to be serviced faster. (trial complete, end May 2022; full deployment across Supported Recovery, end June 2022; deployment across all recovery teams, September 2022).</p> <p>This is a tactical, manual initiative ahead of the integration with an enterprise omnichannel solution (estimate end 2023).</p>
<p>Performance and quality management (8)</p>	<p>Compared to MVP and blueprint: ● ●</p>	<p>Performance and quality management reporting is provided to Leadership and Governance Groups. This includes task duration, which is monitored and action taken to address issues.</p> <p>The Model has integrated with Heartbeat which allows staff to celebrate successes and respond quickly to any points of potential dissatisfaction through real-time feedback.</p>	<p><u>Plan to achieve MVP:</u></p> <p>Some claims are not being closed in a timely manner. The automatic “closure” of claims is being tested in the Path-to-Wellbeing Agile Release Train.</p> <p>An internal feedback mechanism between teams is being trialled to improve the quality of information captured on a claim.</p> <p><u>Future enhancements:</u></p> <p>Performance and quality management will continue to evolve as the Model matures. Suitable performance and quality reference points will continue to be embedded, to ensure there are continuous improvement feedback loops in place for the Model. This will be enabled by key dependencies such as the establishment of a supportable, secure and reliable cloud data platform</p>	<p>Automation of claim and task closure is current under development with Datacom, an ACC vendor working closely with our Path to Wellbeing ART. This frees up capacity for front-line teams to support active management. (July 2022).</p> <p>Work is also underway to develop performance indicators that provide insight on progress against rehabilitation pathways, and exception reporting, covering support for recovery at work, building work readiness, and supporting clients with complex return to work needs. This will also include the presentation of results for leaders to act on daily. (September 2022).</p> <p>Complementary work is also underway to update our quality review tool for progressing rehabilitation outcomes. (September 2022).</p>

Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
			that meets our reporting, insights and analytical requirements.	
A Provider Managed function (9)	<p>N/A</p> <p>Provider managed is anticipated in the blueprint for the final Model but was not in scope for NGCM.</p> <p>Not completing this component results in higher claim volumes in other claim streams.</p>	N/A	<p>The Provider Managed function is a core part of the Model design, but to be delivered through the Health Sector Strategy.</p> <p>Provider-managed claims are still in a trial phase for Escalated Care Pathways with reporting of client recovery outcomes.</p> <p>80% of moderate to high complexity clients are expected to be accessing provider led pathways by 30 June 2025.</p> <p>As Provider Managed claims leave the trial phase and are scaled it is important to ensure outcome performance monitoring is maintained to ensure client recovery is optimised.</p>	N/A with regards to completing blueprint. Parallel work continues in the Health Sector Strategy.
Predictive analytics (10)	<p>N/A</p> <p>Predictive analytics is anticipated in the blueprint for the final Model but was not is scope for NGCM. It was acknowledged</p>	N/A	<p>The data models for predictive analytics are being produced by Customer Group and being implemented through the Path-to-Wellbeing Agile Release Train (see section 7.2).</p> <p>In addition, Smart Services will ensure that the necessary services and equipment are recommended and/or provided at the right time during a client's recovery. This is awaiting</p>	N/A with regards to completing blueprint.



Blueprint component	Level of completion	Delivered	Planned activity	Work Underway – Management update March 2022
	<p>as a key dependency in the business case.</p> <p>Not completing this component increases the manual effort required by staff.</p>		<p>prioritisation in the Path-to-Wellbeing Agile Release Train.</p> <p>Claims modelling to identify off track claims is being undertaken by Customer Group and is led from the Path-to-Wellbeing Agile Release Train.</p>	