

Workplace mental health claims on the rise:

What smart leaders should be doing now.

“Over \$1.5 billion is paid annuallyⁱ in workers compensation and life insurance claims for work-related mental health conditions and we are already seeing the significant impact of COVID-19 in this area,” says Marcella Romero, CEO of Rehab Management, one of Australia’s leading rehabilitation and corporate health providers.

“Our indicators show that psychological insurance claims have continued to steadily rise since the start of the pandemic. Since February, we have seen a 35% increase in these types of claims, which includes anxiety, depression, post-traumatic stress and other mental disorders. We expect this rise to continue especially as we approach various milestones during this crisis, such as a reduction in financial support from government or lending institutions, extended lockdowns, further job losses and other flow on effects,” continued Ms Romero.

“What this indicates to us is that existing conditions are being exacerbated by the current climate and new mental health issues are emerging as well. This is not surprising - uncertainty breeds anxiety, and sadly we are living in uncertain times,” says Ms Romero. “Of course, Victoria is particularly concerning at the moment and this is reflected in data coming through from our evidenced-based mental health screening tool, called CheckInToday, that is used by companies to monitor employee wellbeing.”

“The Victorian mental wellbeing score showed an average score of ‘39’ which is considered ‘Below Average Wellbeing’. This is low compared to what you would expect to see for a general population which is a score of 50. This tool has a sensitivity change of + or – 3, so it is quite significantly different. Overall national data indicated a score of 41, which is also low. Low scores on this tool are also correlated with depression, so this data is very concerning.”

Michelle Barratt, Rehab Management’s National Innovation and Customer Engagement Manager, says multiple challenges are having an impact. “The main themes that people are struggling with centre around lockdown and physical distancing, social isolation, financial insecurity, burn out, loneliness, inactivity, limitations to services, increased issues at home, plus decreased family and social support.”

Why mental health should be an imperative for leaders

A recent study by KPMG and the Financial Services Council outlined that the number of mental health claims had doubled over the past five years, with mental disorders now the third most common cause of disability income claimsⁱⁱ. Tragically, around 1,000 people have died by suicide in Australia since the pandemic began and modelling from the University of Sydney found suicide deaths could rise by 25% annually for the next five years.

“The pandemic has required employers everywhere to rethink the safety of their employees in many ways, but many do not understand that mental health is a huge part of worker health and safety. First and foremost, we need to be taking care of each other because it is simply

the right thing to do, but poor mental health among workers can also cost businesses money, time and productivity,” says Ms Romero.

“This really highlights the importance of workplace mental health metrics and interventions, both now and post-pandemic. Many employers are closely following public health information to make the best decisions they can for their workforce but they need the full picture in order to safely stay open or reopen.”

Three key things employers can do to foster a mentally healthy workforce

1. Inform and Engage

At a very basic level, it is incredibly important to engage with employees during this period and keep them informed as much as possible. This may be through regular staff briefing or, for larger companies, a multi-level communication strategy. It is also important to improve mental health awareness and train managers to recognise the signs of mental health issues, which can include things such as sick leave or other leave, performance issues, emotional outbursts, change in behaviour and interpersonal conflict.

2. Provide access to support

Many companies offer employee assistance programs, which generally includes free access to private and confidential counselling. These programs can also provide high-level data around the number of people accessing the service, which may highlight issues within a business that need to be addressed. However, this is a ‘lag indicator’, meaning management is only aware once there is an issue and does not necessarily work as a preventative strategy.

3. Prevention and intervention

Smart companies are moving towards identifying those that may need support early. Evidence shows that structured workplace programs and interventions can make a difference to both employees and the bottom line. Australian companies can reap \$2.30 for every \$1 spent on workplace mental health strategies.ⁱⁱⁱ A study by KPMG further highlighted the return of investment of such programs can be up to \$10 for every dollar spent^{iv}.

These include a range of interventions such as:

- E-health / online programs (with no clinician involvement) - \$1.60 ROI
- Mental Health Screening (digital screening with results) - \$1.70 ROI
- Workplace Health Promotion (posters, communications, morning tea events) - \$2.86 ROI
- Mental Health Return to Work Programs (structured Return To Work support) - \$3.90 ROI
- Manager Mental Health training (formalised mental health awareness/response training) - \$10 ROI

Utilising an allied health provider, such as Rehab Management, can help companies ensure they are providing best practice tools and programs. These programs can be used for individuals, specific groups at risk, or entire companies.

“One of the simplest ways we help companies monitor the mental health of their workforce is through our CheckInToday program, which is a prevention and early intervention health and wellbeing coaching service,” says Ms Barratt. “The program utilises a digital mental wellbeing screening tool and delivers deidentified data snapshots in real-time to employers to help them understand the wellbeing of their people, enabling them to implement targeted interventions where necessary.”

Based on an individual’s results, the employee may be connected with Rehab Management health consultants suited to their needs through telephone or online platforms. For example, they may be provided with psychological support, or a tailored physical exercise program, or coaching to set daily goals.

“There is no doubt that 2020 is one of the most challenging years we have seen. It is important for businesses to know there is support out there to help navigate these trying times and foster a mentally health workforce. Investing in mental health is not only a good thing to do, it makes business sense,” finished Ms Romero.

For support or more information, companies can contact Rehab Management on 1300 762 989 or at www.rehabmanagement.com.au.

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Available for interview:

- Marcella Romero, CEO of Rehab Management. Background on Marcella and photos available [here](#)

About Rehab Management

Rehab Management is an award-winning, nationally accredited and industry-leading Occupational Rehabilitation and corporate health services provider. Our multidisciplinary team delivers a wide range of client-centric, tailored services to people with injury, illness or disability and integrated rehabilitation and workplace health solutions.

- Occupational rehabilitation
- Return-to-work and career transitioning
- Injury prevention and management
- Ergonomics and manual handling
- Psychological and physical health and wellbeing.

For the past 20 years we have grown to work with some of Australia’s largest organisations, including insurers (Allianz, GIO, EML, Boral, Apple, QBE, AIA and iCare) and government departments and agencies (Veterans’ Affairs, Home Affairs, Services Australia (formerly DHS), Health, Education and the Australian Federal Police). Rehab Management is part of the Arriba Group of companies.

<https://www.rehabmanagement.com.au>

ⁱ SuperFriend Report 2019

ⁱⁱ KPMG and the Financial Services Council 2020

iii PwC and Beyond Blue, 2014

iv KPMG study, 2018 – ROI on workplace mental health initiatives