



WorkCover



# Application to renew a specialised insurer licence: requirements

2014 version

---

**Disclaimer**

This publication may contain work health and safety and workers compensation information. It may include some of your obligations under the various legislations that WorkCover NSW administers. To ensure you comply with your legal obligations you must refer to the appropriate legislation.

Information on the latest laws can be checked by visiting the NSW legislation website [legislation.nsw.gov.au](http://legislation.nsw.gov.au)

This publication does not represent a comprehensive statement of the law as it applies to particular problems or to individuals or as a substitute for legal advice. You should seek independent legal advice if you need assistance on the application of the law to your situation.

©WorkCover NSW

# Contents

1. Introduction	2
2. Legislative requirements	2
3. Renewal	3
4. Assessment process	3
5. Defined Industry	3
6. Information to be provided	4
7. Notice of licence application	4
8. Application fee	4
9. Lodging an application	4
10. Further information	4
11. Confidentiality	5
Appendix A	6

---

## 1. Introduction

WorkCover NSW may approve a renewal of an insurer licence and endorse the licence with a specialised insurer endorsement in accordance with the *Workers Compensation Act 1987* (1987 Act).

Once endorsed, a specialised insurer is licensed to underwrite workers compensation risks for employers within an approved Defined Industry agreed by WorkCover.

WorkCover expects specialised insurers, in respect of their Defined Industries, to deliver optimum workers compensation outcomes to employers and workers sustainably by:

- promoting work health and safety, recovery outcomes and return to work practices for the Defined Industry
- providing access to fair and reasonable workers compensation insurance in connection with suitable risk assessment
- satisfying the requirement of the Australian Prudential Regulation Authority (APRA) to demonstrate the solvency of the specialised insurers
- investing in appropriate systems and infrastructure to meet the legislative requirements and expectations of employers, workers and WorkCover, in respect of:
  - support to the employer's work health and safety practices
  - underwriting and premium calculation
  - claims management
  - return to work planning and administration
  - data and information required to assist WorkCover in its ongoing monitoring, regulation and review of the specialised insurers.
- complying with legislative requirements, licensing framework and conditions, and statutory guidelines as required.

These requirements describe what is required of applicants to demonstrate their ability to meet WorkCover's expectations and WorkCover's assessment process of an application to renew a specialised insurer licence.

## 2. Legislative requirements

WorkCover assesses reapplications for renewal of a specialised insurer licence against the requirements in the 1987 Act and its *Licensing framework for specialised insurers* (catalogue no. WC01637).

Under section 178 of the 1987 Act, WorkCover may take the following matters into consideration in its determination of a reapplication for a licence:

- the suitability of an applicant
- the capital position and articles of association of an applicant that is a corporation
- the orderly run-off of claims for compensation
- the efficiency of the workers compensation system generally
- any other matters as WorkCover thinks fit.

In accordance with section 177A of the 1987 Act, WorkCover will consider the following matters as it determines the merits of a reapplication for a specialised insurer licence:

- that the insurance business to be carried on under the licence will not have an adverse effect on the efficiency of the NSW Workers Compensation Scheme (the Scheme) generally
- that the applicant is limited to a clearly defined industry agreed to by WorkCover and that the application is supported by relevant professional, business and other industry bodies involved in the particular industry

- 
- that the applicant is authorised under relevant Commonwealth legislation to carry on insurance business in Australia
  - any other matters WorkCover considers relevant.

Other matters WorkCover considers relevant include:

- the applicant must be able to fund the establishment of an insurance operation and meet future liabilities
- the applicant must have an appropriate reinsurance plan and proposed arrangements for its operations
- the applicant must be a company that is owned and controlled by a relevant professional, business or other industry body
- the directors of a specialised insurer collectively must have extensive experience and skills in the Defined Industry, workers compensation insurance and underwriting
- the applicant must demonstrate its capability and capacity to undertake workers compensation insurance business in NSW and comply with all workers compensation statutory requirements.

### 3. Renewal

If a specialised insurer elects to apply to renew its endorsement as a specialised insurer, the application must be submitted to WorkCover no later than four months prior to the expiry of the current licence.

In order to apply for renewal of endorsement as a specialised insurer, the applicant must continue to satisfy, or make any changes where necessary to satisfy the conditions outlined in its licence.

### 4. Assessment process

When assessing a renewal WorkCover will consider:

- the performance of the specialised insurer and its compliance with the requirements outlined in workers compensation legislation, the *Licensing framework for specialised insurers* (catalogue no. WC01637) and licence conditions
- information received from APRA
- information received from the specialised insurer
- information provided in support of a reapplication for licence endorsement.

WorkCover may also consider information from a variety of sources, which may include on-site audits, interviews and inspections. Additional information may be requested.

### 5. Defined Industry

WorkCover assumes that the Defined Industry as stated within the current licence will carry forward to the new licence upon renewal.

Any request to materially change the Defined Industry may require the applicant to lodge an application in accordance with the *Application for a new specialised insurer licence: requirements* (catalogue no. WC01636).

---

## 6. Information to be provided

The requirements in this document describe the information needed to support a reapplication, so WorkCover can determine the eligibility of the applicant and be satisfied with the reapplication under sections 177A and 178 of the 1987 Act and the *Licensing framework for specialised insurers* (catalogue no. WC01637). Failure to provide the information as required may result in your reapplication being suspended or refused.

A specialised insurer may state in their reapplication why the licensing framework, or aspects of it, do not apply to their current licence and will continue to not apply to their reapplication.

A reapplication for endorsement must contain a written authority (Attachment A) including:

- confirmation of compliance with licensing framework and conditions, or
- a statement of non-compliances and when the approval was granted by WorkCover

## 7. Notice of licence application

WorkCover will publish a notification on the WorkCover website on receipt of an application to renew an endorsement as a specialised insurer.

The period of notification and the content of the response will be as stated within the *Specialised insurer stakeholder consultation: requirements* (catalogue no. WC01639).

WorkCover will consider all submissions received in response to the notification as it determines the application to renew a licence that was the subject of the notification.

## 8. Application fee

There is no application fee to renew a specialised insurer licence.

## 9. Lodging an application

The application should be lodged with:

Manager – Licensing and Monitoring  
Workers Compensation Regulator  
WorkCover NSW  
Locked Bag 2906, Lisarow, NSW 2252

## 10. Further information

For further information please contact:

Manager – Licensing and Monitoring  
Workers Compensation Regulator  
WorkCover NSW  
92–100 Donnison Street, Gosford, NSW 2250  
Locked Bag 2906, Lisarow, NSW 2252  
Phone: **13 10 50**  
Email: [self&specialisedinsurers@workcover.nsw.gov.au](mailto:self&specialisedinsurers@workcover.nsw.gov.au)

---

## 11. Confidentiality

Where information is provided to WorkCover, the information is protected by provisions in the *Workplace Injury Management and Workers Compensation Act 1998* and may only be disclosed externally in very limited circumstances. These provisions do not inhibit WorkCover's ability to:

- create comparative data to conduct research and assess the performance of the workers compensation scheme
- publish de-identified statistical, performance and research reports
- provide information to the responsible Minister or as directed by the Minister
- provide information to APRA.

Apart from these protections, personal information or health information provided to WorkCover can only be dealt with in accordance with the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*.

Although the *Government Information (Public Access) Act 2009* (GIPA) creates a presumption in favour of the disclosure of government information when an access application is made, this can be overcome where there is an overriding public interest against disclosure. GIPA provides a specific public interest consideration against disclosure of information held by WorkCover if (amongst other things) disclosure of the information could prejudice the business interests of any person or corporation.

GIPA provides a mechanism for consultation with a person or corporation if an access application is made for information that concerns the business, commercial or financial interests of that person or corporation. Any objection to disclosure received in the course of consultation must be taken into account in determining whether there is an overriding public interest against disclosure. Any decision by WorkCover to make available that information contrary to an objection made in the course of consultation would be subject to a right of review by the Information and Privacy Commissioner or by the NSW Civil and Administrative Tribunal.





---

Catalogue No. **WC01640** WorkCover Publications Hotline **1300 799 003**  
WorkCover NSW, 92–100 Donnison Street, Gosford, NSW 2250  
Locked Bag 2906, Lisarow, NSW 2252 | Customer Service Centre **13 10 50**  
Website [workcover.nsw.gov.au](http://workcover.nsw.gov.au)  
ISBN 978 1 74341 617 4 ©Copyright WorkCover NSW 0115

---