

claiming a permanent incapacity (pi) benefit guide



This document explains how to make a claim for a permanent incapacity (PI) benefit and what will happen when you submit your claim to HESTA. Everyone involved in processing your claim will try to complete it as quickly as possible.

What is a permanent incapacity benefit?

A permanent incapacity (PI) benefit is a payment made from your super account balance if you are injured or ill and permanently unable to work as a result.

When can I claim a PI benefit?

You can apply for a PI benefit if you are medically certified as meeting this definition of permanent incapacity:

‘Permanent incapacity, in relation to a member, means ill-health (whether physical or mental), where the Trustee is reasonably satisfied the member is unlikely, because of the ill-health, to ever again engage in gainful employment for which the member is reasonably qualified by education, training or experience.’

Is there a waiting period?

There is no waiting period, but to start the claim process you must attach recent medical certificates from two different legally qualified medical practitioners confirming you meet the PI definition above. We cannot assess your claim until we receive all the required documentation (see the Document checklist on page 2 and Certifying your identification on page 11 for details).

How much will it cost to process my application?

You will need to pay the cost of obtaining the required medical certificates and any fees charged for certifying copies of your documents.

Keeping your HESTA account open

You can keep your HESTA super account active by leaving at least \$1,500 invested in it (see Section 3 of the application form). Keeping your account active will maintain any disability and/or death insurance cover you currently have through HESTA.

! Note: your insurance cover through HESTA will cease if you choose to receive your entire benefit. This means you will no longer be covered for death or disability insurance through HESTA.

To check your estimated balance and how much insurance cover you have, visit *Member Online* at hesta.com.au/mol or call 1800 813 327.

Income Protection

Did you know that most of our members have two units of Income Protection (as a default)?

If you have an injury or illness, you may be eligible to receive an Income Protection benefit. For more information contact us on 1800 813 327.

What happens if I receive a PI benefit?

If you receive a PI benefit, you will generally be paid the entire balance of your super account, unless you choose to retain an amount (e.g. \$1,500) in your super account to cover any existing Death Cover insurance you have. If you do not retain an amount, your Death Cover, terminal illness and any lump-sum TPD Cover will cease and you will not be eligible to claim any benefits.

Depending on your age and situation, there may be taxes applicable to your PI benefit. Taxes applicable for the 2015/16 financial year are detailed in the below table:

Type of super	Type of withdrawal	Maximum rate of tax (excluding Medicare levy)
Taxable component – taxed element	Lump sum	Under preservation age: 20% plus applicable Medicare levy
		Over preservation age but under 60: Nil up to \$195,000 15% on balances over \$195,000, plus applicable Medicare levy.
		Over 60: tax free
Taxable component – untaxed element	Lump sum	Under preservation age: 30% up to \$1.395 million, plus applicable Medicare levy. 45%* on balances over \$1.395 million, plus applicable Medicare levy.
		Over preservation age but under 60: 15% up to \$195,000, plus applicable Medicare levy. 30% on balances between \$195,000 and \$1.395 million, plus applicable Medicare levy. 45%* on balances over \$1.395 million, plus applicable Medicare levy.
		Over 60: 15% up to \$1.395 million, plus applicable Medicare levy. 45%* over \$1.395 million, plus applicable Medicare levy.

*Plus temporary 2% Budget Repair levy where applicable.

For up-to-date information on superannuation tax rates visit ato.gov.au

Help claiming social security benefits

The Welfare Rights Centre is an independent community legal centre specialising in social security law and its administration by Centrelink.

The Centre has a long-standing relationship with HESTA, guiding members through the social security system when they're unable to work and need financial help. This free service for HESTA members provides information, advice and assistance to identify and access social security rights and entitlements, including:

- how to apply for Sickness Allowance, Newstart Allowance, Disability Support Pension and the Family Tax Benefit
- how to sort out problems with obtaining entitlements
- how receiving an insured benefit and/or the release of your super account balance could affect social security entitlements.

The above is general information only. It does not constitute legal advice. If you need legal advice about your Social Security entitlement, please contact the Welfare Rights Centre on (02) 9211 5300 (Sydney) or call 1800 226 028.

The Welfare Rights Centre, Sydney, is a community legal centre which specialises in social security law, administration and policy. It is entirely independent of Centrelink. All assistance is free. For more information, visit welfarerights.org.au



Don't forget to supply your tax file number (TFN)

You don't have to supply your TFN, but if you don't, your benefits may be taxed at the highest marginal tax rate. To check if we have your TFN, call us on 1800 813 327. Or, to supply your TFN online, visit hesta.com.au/tfn

Permanent incapacity (PI) benefit document checklist

To ensure your claim is processed as quickly as possible, please return these documents with your application form.

Mandatory

- Fully completed *Application for claiming a Permanent Incapacity benefit* form, signed at both section 2 and section 3.
- Original medical certificates from two different legally qualified medical practitioners which state that you meet the definition of permanent incapacity.
- Certified copies of proof of identity documents, unless you have opted for electronic verification (see page 3 for information on certifying your identification).

If required

- Certified copy of any change of name document, such as a copy of your marriage certificate or deed poll document.
- A copy of your bank statement OR a deposit slip showing your BSB, Account Number and Account Name.

How to claim

Step 1

Return your completed documents (see the *document checklist above*) to us.

Step 2

We will check that your claim has been correctly completed and all required documents are attached.

Step 3

We will assess your claim and accept, decline or defer it based on the information you have supplied.

Step 4

If your claim is not accepted, we will write to advise you of the outcome and your options.

If you have any questions or need help with your application, contact us on 1800 813 327.

Note: We may require additional information from you, or from your medical practitioners, to assess your claim. We will advise you of any such requirements after we have completed an initial review.

application for claiming a permanent incapacity (pi) benefit

HESTA

Please read *Claiming a permanent incapacity benefit* before you complete this application. Complete all sections in capital letters, using a black pen. Check you have signed and dated the declaration and all required documentation is attached.
Mail the completed form to: **HESTA, Locked Bag 5136, Parramatta NSW 2124.**

1 Your member details

Complete this section in full. Your details will help us identify your account.

Member number:

Date of birth:

Title: Ms Mrs Miss Mr Dr Other

Given name/s:

Family name:

Postal address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

Preferred contact number:

Email:

Last employer's name:

Date last worked:

Employers address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

'Permanent incapacity' refers to the early release of your preserved superannuation benefit on the grounds of illness or injury. See *When can I claim a PI benefit?* on page 1.

Have you permanently ceased all employment?

Yes Complete the following statutory declaration.

No You cannot claim a PI benefit.

2 Statutory declaration

I,

(Member full name)

of

Postal address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

declare I have permanently ceased employment due to my illness/injury resulting in my inability to be employed ever again in any capacity for which I am reasonably qualified by education, training or experience.

I understand a person who intentionally makes a false statement in a statutory declaration is guilty of an offence under section 11 of the *Statutory Declaration Act 1959*. I believe the statements in this declaration are true in every particular.

Signature of claimant:

(Member full name)

Date signed:

Before me (Witness name and details)*

Title: Ms Mrs Miss Mr Dr Other

Given name/s:

Family name:

Witness's postal address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

Witness qualifications:

Witness signature:

Date:

*To be signed by a person who may witness a statutory declaration under the law of the state or territory in which this declaration is made. This may include any person listed in the Certifying your identification.

3 Payment options

Please choose how you wish to receive your benefit payment.

Note: if you request a partial payment of your account balance, you must retain a minimum balance of \$1,500 (estimated at interim interest rates) in your account after the payment has been processed (see Keeping your HESTA account open on page 1).

Option 1

I wish to claim my entire benefit. I understand in doing so, my insurance arrangements through HESTA will cease.

or

Option 2

I wish to claim a partial benefit.

2A. Amount I wish to claim (before tax):

\$, , .

or

2B. Amount I wish to leave in my account (estimated at interim interest rates before tax):

\$, , .

Declaration:

- I apply to the Trustee of HESTA for payment of my superannuation account on the grounds of permanent incapacity. I acknowledge that full payment of my account balance discharges the Trustee of HESTA from all liability in respect of this entitlement under the Fund.
- I acknowledge any decision made by the Trustee of HESTA regarding my permanent incapacity claim is independent of any claim on HESTA's insurance policies and any decision made by HESTA's insurers.
- I understand that if I do not retain an amount of \$1,500 in my account any insurance for death, terminal illness and lump-sum TPD cover will cease and neither I nor any other person will be eligible to claim any benefits under this insurance cover.
- I understand tax may be deducted from any payment.
- I have read and understood the HESTA Privacy Collection Statement and consent to the trustee of HESTA collecting, using and disclosing my personal information.

Privacy

The way your personal information is handled, and your ability to seek access to it, is regulated by the *Commonwealth Privacy Act*. Our practice is not to provide Fund members with access to their claim information while it is still under assessment.

The information you provide on this form, and any subsequent information you provide to us or our service providers in relation to this form, is collected in accordance with the HESTA Privacy Collection Statement available at hesta.com.au/privacy or by calling 1800 813 327.

Signature of claimant:

Date:

If you have HESTA Income Protection Insurance cover, would you like us to contact you to discuss how to claim?

medical report form

permanant incapacity claim



Give this form to your general practitioner to complete and return to you. Then mail the completed form to:
HESTA, Locked Bag 5136, Parramatta NSW 2124.

HESTA member to complete:

1 Your member details

Member number:

Member given name/s:

Member family name:

Member address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

Medical practitioner to complete:

This member has applied for a Permanent Incapacity Benefit. Please complete this report as fully as possible and if necessary, provide additional sheets for further information.

Please note: The member is responsible for any costs involved in obtaining this report.

1. Are you the member's usual medical attendant?

 Yes No

2. What is the nature of the member's present disability?
 Please provide details of the members present medical condition and if available the history of the disability.

3. When did the member first consult you regarding the disability?

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

4. What treatment is the member currently receiving in relation to this disability?

5. The definition of permanent incapacity requires the Trustee of HESTA to be reasonably satisfied that the member is suffering from ill health (whether physical or mental), to such an extent that the member is unlikely, because of the ill health, to ever engage in gainful employment for which the member is reasonably qualified by education training or experience.

In your opinion, does the member meet the above definition?

 Yes No

If the member does meet the above definition of permanent incapacity, please provide your detailed explanation below:

6. If, in your opinion, the member is not incapacitated, please indicate the nature of any employment that might be open to them:

Additional comments:

I hereby certify that I have examined the above named HESTA member and that the statements made in this certificate are true and correct to the best of my knowledge.

Signature:

Date:

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

Qualifications:

Provider number:

Given name/s:

Family name:

Full contact address:

PO Box/Unit number/Street number

Street name

Suburb

State/Terr.

Postcode

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Please return with diagnostic test reports to your patient for submission to HESTA.

contact us

hesta@hesta.com.au | 1800 813 327 | Locked Bag 5136, Parramatta NSW 2124 | hesta.com.au

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medical report form

permanant incapacity claim



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D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

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Date:

Qualifications:

Provider number:

Given name/s:

Family name:

Full contact address:

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Street name

Suburb

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Please return with diagnostic test reports to your patient for submission to HESTA.

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eft payment details form



IMPORTANT: Please ensure a copy of your financial institution statement OR a deposit slip showing your BSB, Account Number and Account Name is attached. (Note: We do not need to see your account balance or transactions). Mail the completed form to: **HESTA, Locked Bag 5136, Parramatta NSW 2124.**

1 Your details

I authorise HESTA Superannuation to deposit the benefit payable into my nominated financial institution, and I attach a copy of a recent statement or deposit slip confirming the following details:

Account name:

Branch name/branch:

BSB:

Account number:

Title: Ms Mrs Miss Mr Dr Other

Given name/s:

Family name:

Signature:

Date:

Reference:

Member name:

Title: Ms Mrs Miss Mr Dr Other

Given name/s:

Family name:

Member number:

HS 11303 12/16 ISS2

contact us

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certifying your identification

Name:

Membership number (if known):

Proving your identity

To protect you from the risk of identity fraud, you will need to provide certified identification to make a change of name or details, benefit claim, open a HESTA income stream or apply for refund of contributions.

You can provide certified documents in hard copy or you can provide consent for us to verify your identity electronically with your accompanying application form.

Select from Option 1 (electronic proof of ID) or Option 2 (certified copies of ID documents).

Option 1: Electronic proof of identity

Please provide at least TWO of the following for verification.

Electronic verification

If you select this option you do not have to attach any certified documents. We will do all the checks for you.

I authorise the use of the below information for this purpose (see 'Certifying your identification'):

My Medicare number is:

Exp. date:

I am person number on this Medicare card

and

My Australian Driver licence number is:

Exp. date:

State of issue:

and/or my Australian passport number is:

Place of birth:

Country of residence:

Name on citizenship document (if applicable):

Family name at birth:

Signature:

Date signed:

Option 2: Provide certified copies of ID documents

This step-by-step guide details the types of documents we can accept as proof of your identity and what you need to do to certify them correctly.

Hard copy verification

If you select this option you must attach all certified documents.

Acceptable documents

either

A certified copy of a primary photographic identification document:

- current photographic driver's licence issued under state or territory law (copy of the front and back)
- current passport (including English translation where required).

or

A certified copy of a primary non-photographic identification document:

- birth certificate
- citizenship certificate issued by the Commonwealth of Australia
- pension card issued by Centrelink that entitles you to financial benefits.

and

A certified copy of a secondary identification document:

- a notice issued by a local government body or utilities provider within the preceding 3 months that shows your name and residential address.
- notice issued by Commonwealth, state or territory government within the past 12 months that shows your name and residential address. For example:
 - Tax Office notice of assessment
 - a notice recording the provision of financial benefits i.e. a Centrelink assistance payment.

Verification of Identification

I consent to the trustee of HESTA verifying my identification documents.

Signature:

Date signed:

HESTA

Locked Bag 5136, Parramatta, NSW 2124.

Have you changed your name or are you signing on behalf of another person?

If you've changed your name or are signing on behalf of the applicant, you'll need to provide a certified linking document proving a relationship exists between two (or more) names.

For a **change of name** you can request linking documents (eg Marriage certificate, Deed poll, Change of name certificate, Divorce decree or Registered relationship certificate) from the Births Deaths and Marriages Registration Office.

If you are **signing on behalf of the applicant**, you will need to provide Guardianship papers and Power of Attorney documents.

How to certify

The person authorised to sight and certify documents must:

- sight the ORIGINAL and the copy and make sure they are identical, and
- write or stamp 'certified true copy' on all copied pages followed by their signature, printed name, qualification (e.g. Justice of the Peace), registration number (if applicable) and date.

What does a certified document look like?

Samantha Sample has provided a photocopy of her identification that included **signature, full name, date of birth, and current residential address**.

- The certifying authority has sighted the original identification, and confirmed that the copy is a true copy.
- Details for the certifying authority are included: **full name, qualification, registration number** (if applicable), **date and signature**.



"I certify that this document is a true copy of the original"

Name: Kate Anderson
Qualification: JP
Registration no: 222222
Date: 31 July 2015

Do proof of identity and/or linking documents need to be translated?

If your proof of identity and/or linking documents are in a language that is not understood by the person carrying out the verification, they must be accompanied by an English translation prepared by an accredited translator.

Who can certify my identification document?

For a full listing of people who can certify your documents, see *Statutory Declarations Regulations 1993*. Some of the people who can certify copies of originals as true copies are:

- a medical practitioner
- a nurse
- an optometrist
- a psychologist
- a pharmacist
- a chiropractor
- a veterinary surgeon
- an accountant (member of CA, CPA or IPA)
- a full-time teacher employed at a school or tertiary institution
- an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), having five or more years continuous service with one or more licensees
- a notary public officer
- a police officer
- a Justice of the Peace
- a magistrate
- a chief executive officer of a Commonwealth court

What if I don't certify my identity documents correctly?

If the identification documents you send with your application are not certified or incorrectly certified, we may call you to verify your identity over the phone. If you're unable to give us enough information to identify you over the phone, you may need to resend certified proof of identity documents. This will lead to delays in processing your application.

Alternatively you can give your consent for electronic verification of your documents to be completed in the event that your documents have not been correctly certified, please sign the consent section under *Certifying your identification*.

Tax file numbers

Why we ask for your TFN

We are authorised to collect your tax file number (TFN) under the *Superannuation Industry (Supervision) Act 1993* (SIS). Supplying your TFN is voluntary and it is not an offence if you choose not to provide it.

We are required by law to take the necessary steps to properly safeguard your TFN and our intention is to use it only for lawful superannuation purposes.*

We may disclose your TFN to another superannuation provider if your benefits are transferred, unless you instruct us in writing not to disclose it to any other fund.

*Please note: future legislation may result in changes to these purposes.

Why it's important to provide your TFN to us

- Members who have not provided their TFN will have contributions taxed at the highest marginal tax rate.
- Your HESTA account will be able to accept after-tax contributions. If you are eligible, you may be entitled to a government co-contribution on any personal after-tax contributions you make.
- No additional tax will be deducted when you start withdrawing your super benefits (other than the tax usually deducted from super).
- It will make tracing different super accounts in your name much easier, so you can combine all your super accounts into one (if you wish) and receive all super benefits due to you when you retire.

contact us

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