

claiming a permanent incapacity 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 9 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 or HESTA Personal Super account active by leaving at least \$1,500 invested in it (see Section 2 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 HESTA provides most members with two units of Income Protection upon joining?

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 insurance fees for any existing Death and disability insurance you have. If you do not retain an amount, any insurance cover you have 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 2017/18 financial year are detailed in the below table:

Type of super	Type of withdrawal	Maximum rate of tax
Taxable component – taxed element	Lump sum	Under preservation age: 20% plus applicable Medicare levy
		Over preservation age but under 60: Nil up to \$200,000 15% on balances over \$200,000, plus applicable Medicare levy.
		Over 60: tax free
Taxable component – untaxed element	Lump sum	Under preservation age: 30% up to \$1.445 million, plus applicable Medicare levy. 45% on balances over \$1.445 million, plus applicable Medicare levy.
		Over preservation age but under 60: 15% up to \$200,000, plus applicable Medicare levy. 30% on balances between \$200,000 and \$1.445 million, plus applicable Medicare levy. 45% on balances over \$1.445 million, plus applicable Medicare levy.
		Over 60: 15% up to \$1.445 million, plus applicable Medicare levy. 45% over \$1.445 million, plus applicable Medicare levy.

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 or to supply your TFN, visit hesta.com.au/tfn or call us on 1800 813 327.

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 9 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 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:

Please advise occupations you have undertaken that best reflect your education, training and experience:

Occupation 1

Occupation 2

Occupation 3

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 sections.
 No You cannot claim a PI benefit.

2 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):

\$, .

Specify your preferred payment method by placing a **X** in the appropriate box

- I would like an electronic funds transfer (EFT) into my bank account.

Account name:

BSB:



Please attach a current bank statement*

Account number:

- I would like a cheque in my name

Note: Cheques can only be sent to the address on your account.

* If a statement is not provided, is unreadable or not in your name, we will issue you a cheque.

3 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.

4 Declaration

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.

The HESTA Privacy Collection Statement is available at hesta.com.au/privacy or by calling 1800 813 327.

Signature of claimant:

Date:

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

contact us

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

certifying your identification

Name:

Member 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.

For insurance claims

If you are making a claim, you will need to choose Option 2 (certified copies of ID documents). These documents will be shared with our Insurer as part of your claims process.

For IP and TPD Claims, you will need to send your claim forms and certified ID back to: AIA Australia, PO Box 611, Melbourne VIC 3004.

For Terminal Illness (TI) claims send your ID to: HESTA Locked Bag 5136, Parramatta NSW 2124.

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 three 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 via electronic means in the event my certified documents have not been correctly certified.

Signature:

Date signed:

Mail to:

HESTA
Locked Bag 5136, Parramatta, NSW 2124.

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 (complete 'Verification of identification' on this form):

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:

Exp. date:

Place of birth:

Country of residence:

Name on citizenship document (if applicable):

Family name at birth:

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 'Verification of identification'.

contact us

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

Issued by H.E.S.T. Australia Ltd ABN 66 006 818 695 AFSL No. 235249, Trustee of Health Employees Superannuation Trust Australia (HESTA) ABN 64 971 749 321. 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. Where you provide us with personal information about another person, it's your responsibility to notify that person about the disclosure of their personal information.

This page is intentionally left blank

This page is intentionally left blank