

Claiming an Income Protection (IP) benefit

This fact sheet provides some important information on claiming an Income Protection (IP) benefit with TWUSUPER.

For ease of understanding, certain important terms which appear in bold and italics are defined in the section entitled 'Some insurance terms explained'.

What is IP cover?

If you are temporarily unable to work because of illness or injury, IP can help by providing a monthly income of up to 75% of your pre-disability income directly to you, plus up to 11.5% into your super account.

Who can claim an IP benefit?

If you have IP cover attached to your account, and you meet the insurance policy definition below, then you should phone us on **1800 296 888** to discuss your eligibility to make a claim.

You can check Member Online to confirm your cover details – visit twusuper.com.au/login

Do you qualify for an IP benefit?

In order to qualify for an IP benefit you must be either ***totally disabled*** or ***partially disabled*** immediately after the end of the ***waiting period***.

How do I make a claim?

If you're not sure if you can claim, call us on **1800 296 888** and we'll help you work out the next steps.

Step 1 – Contact us

Call us on **1800 296 888** to speak to a member of our insurance team.

Step 2 – Submit your claim

You can start the claim process via Member Online – visit twusuper.com.au/login. You can save the process once started and continue later if needed. You will need to upload your ID and other forms and will receive an email confirming receipt of your documents.

We will need you to provide:

- › a claimant's statement (to be completed by you)
- › a medical attendant's statement (to be completed by your treating doctor)
- › an employer's statement (to be completed by your most recent employer)
- › a privacy consent form
- › certified proof of ID (passport, driver's license or birth and/or marriage certificate), and
- › proof of income – payslips or ATO Notice of Assessment.

Step 3 – The Insurer will assess your claim

The Insurer will assess your claim by confirming your eligibility (including meeting the relevant definitions) and checking if any more information is required. The Insurer will provide updates about the progress of your claim at least every 20 business days. If your claim is approved you will need to provide the following documents:

- › EFT details form (to make payments to you)
- › Tax File Number declaration.

What if I am not satisfied with the decision?

If you disagree with the decision, you can lodge a complaint. The complaint will be dealt with by our Complaints and Appeals Committee (a delegate of the Board) who will review your claim. This could include seeking a reassessment from the Insurer.

The Trustee is required to take reasonable steps to properly consider and deal with your complaint within 45 days of it being made. It is not always possible to properly consider and deal with complaints within 45 days. If the Trustee has not made a decision within 45 days of receipt of your complaint, you may write and request our written reasons for the Trustee's failure to make a decision within that period. Written reasons for not making a decision within 45 days of your complaint must be given within 28 days of receipt of your request.

You will be notified of the Trustee's decision on the complaint in writing once it is made.

If you are still not satisfied with the outcome or how TWUSUPER has handled your claim, or the matter cannot be resolved, you may be able to refer it to the Australian Financial Complaints Authority (AFCA). AFCA is an independent body set up by the Federal Government to assist members to resolve certain superannuation complaints. Complaints can only be lodged with the AFCA if you have followed the internal review process as outlined above and comply with any applicable time limits. AFCA can be contacted on **1800 931 678** for more information.

What we will do

As the Trustee, we have a duty to act in the best interest of our members. We can help you gather the information the Insurer needs to process your claim. We will also monitor the Insurer to ensure the service provided to you is of a high standard and complete an independent review if the Insurer thinks you are not eligible to claim.

How long does the process take?

The length of the process will vary. Together with the Insurer, we will try to make the process as easy for you as possible. Sometimes, delays will occur if you, your employer or your doctors/specialists do not respond to requests for information.

How much will I be paid?

If your claim is approved, your benefit of up to 75% of your pre-disability income will be paid directly to you, plus up to 11.5% of your pre-disability income paid into your super account subject to a maximum total benefit of \$30,000 per month. By continuing to make contributions to your super while you are off work, you can ensure your super is still working towards your retirement. Your monthly benefit will be reduced by any income you receive from other sources (also known as offsets) like Worker's Compensation and sick leave payments. The Insurer will deduct the appropriate PAYG tax from your payments.

Example

Simon has a monthly IP benefit of \$5,000 on his TWUSUPER account. His pre-disability income is \$75,000 p.a.

He will receive the lower of:

- > his sum insured - \$5,000 per month, or
- > 86.5% of his pre-disability income - \$5,406 per month ($\$75,000/12 \times 86.5\%$)

Without any other income to offset his payments Simon would receive \$4,687.50* ($\$75,000/12 \times 75\%$) as a direct payment plus \$312.50 ($\$5,000 - \$4,687.50$) paid to his TWUSUPER account as an SG payment.

If Simon is receiving \$2,000 a month from workers compensation payments this will reduce the payment from his IP benefit to \$3,000 per month ($\$5,000 - \$2,000$).

Simon would receive \$3,000* as a direct payment and \$0 to his TWUSUPER account as an SG payment because this is the maximum amount Simon can receive with his offsets.

*All income protection payments are subject to PAYG tax. This will be deducted and paid to the ATO on your behalf when we make payments to you.

When will I be paid?

Payments are made monthly in arrears after your **waiting period** has ended.

Example

John held IP cover on his TWUSUPER account with a 60 day waiting period. He was injured on 10 May. After providing claim documents and supporting medical evidence showing he cannot return to work, John's claim was approved and his first IP payment was made on 9 August.

John's claim timeline looks like this:

Date John was injured (medical reports show unable to work, these cannot be backdated)	10 May
60 day waiting period (no payments were made during this period)	10 May to 9 July
First payment period	10 July to 9 August
First payment date (payment in arrears up to the payment period)	9 August

How long will I be paid a benefit?

Your progress will be reviewed regularly after your payments start to ensure you're still eligible for a benefit. You and your doctor may need to provide progress updates.

The Insurer may also offer you additional services such as rehabilitation, support or counselling services and work with you through options for returning to work and career coaching.

Your monthly income protection benefit will continue to be paid to you until the earliest of any one of the following events occurs:

- > you are no longer partially disabled or totally disabled
- > the end of the benefit period, which is two years
- > you reach age 65, or
- > you die (however, an additional two months' benefit will be paid as a death benefit if you are receiving income protection benefit payments at that time).

While you are receiving IP payments from TWUSUPER, we will pause any IP premiums on your account. Premiums will start being deducted again when your IP payments stop.

Some insurance terms explained

Totally disabled means if, because of illness or injury, you have ceased to be **gainfully employed** and are:

- (a) unable to perform at least one income **producing duty** of your **own occupation**
- (b) not working in any occupation, whether or not for reward, and
- (c) under the regular care of, and following the advice of, a Medical Practitioner.

Gainfully employed means employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment including where you have ceased temporarily to receive any gain or reward under a continuing arrangement for you to be gainfully employed.

Income producing duty means a duty of your occupation that immediately before you became **totally disabled** generated 20% or more of your income.

Own occupation means your normal occupation or work carried out by you before becoming disabled.

Partially disabled means you are not **totally disabled**, but because of illness or injury, you:

- (a) have been **totally disabled** for at least 7 out of the first 12 consecutive days of the relevant **waiting period** (30, 60 or 90 days)
- (b) are unable to work in your **own occupation** at full capacity immediately after you became **totally disabled** because of the illness or injury that caused your **total disability**

- (c) are working in your **own occupation** in a reduced capacity, or working in another occupation
- (d) are earning a monthly income that is less than your pre-disability income, and
- (e) are under the regular care of and following the advice of a Medical Practitioner.

Your total disability benefit or partial disability benefit will be reduced by any **disability income** you may receive.

Disability income means the sum of:

- (a) any income (other than benefits received under the Fund's insurance policy) or commutation of income, paid or payable in respect of you as a result of your illness or injury including:
 - (i) sick leave payments
 - (ii) any amounts payable under legislation such as workers' compensation or motor accident compensation
 - (iii) any benefits payable under other income protection insurance policies, and
 - (iv) any benefits payable under any other part of the Fund's insurance policy

Waiting period is the continuous period of days you are off work and disabled before a disability benefit can be paid. The waiting period is 30 days unless 60 or 90 day waiting period have been agreed. The waiting period starts on the date a Medical Practitioner certifies you are disabled. You must be totally disabled for 7 out of the first 12 consecutive days of the waiting period.

We're here to help

If you have any queries or need help to complete the paperwork please call us on **1800 296 888**, email us at insuranceclaims@twusuper.com.au or visit twusuper.com.au for any assistance.

For details of the terms of the Fund's insurance cover – including standard Policy exclusions and limitations – refer to the Insurance Guide at twusuper.com.au/pds. This information is of a general nature only and does not take into account your objectives, financial situation or needs. Before acting on this information, you should consider its appropriateness having regard to your objectives, financial situation and needs. A copy of TWUSUPER's current Product Disclosure Statement should be obtained from us (by calling 1800 222 071 or visiting twusuper.com.au) and considered carefully before you make a decision in connection with TWUSUPER. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at twusuper.com.au/tmd TWU Nominees Pty Ltd ABN 67 002 835 412, AFSL 239163, is the trustee of TWUSUPER ABN 77 343 563 307 and the issuer of interests in it.