

How to claim an income protection benefit

This guide will help you understand how to apply for an income protection (IP) benefit.

We understand this can be a difficult time and aim to make the claim process smooth and simple. We're here to help you understand what you need to do and make sure you're informed from beginning to end.

Further information can be found in the relevant Insurance Handbook and Product Disclosure Statement (PDS) available at aware.com.au/pds

What to expect in this guide

1 How we work with you

An overview of the service you can expect from us.

2 Our claims process

The five steps to assess your claim and reach an outcome.

3 Your questions answered

Have questions? You might find the answer here.

1 How we work with you

We'll connect you with your Aware Super case manager, who will oversee your assessment and keep you updated. We can also help you complete the forms over the phone and give you tips on how to find any supporting documents you need.

Generally, the easiest way to speed up your claim is to provide all requested documents with your application and to respond to requests quickly. If you have questions or concerns, just give us a call or email us – we're here to help.

2 Our claims process



Contact us



Claim paperwork



Claim assessment



Claim decision



Outcome

Contact us

- There are several ways you can start your income protection (IP) claim:
 - Access your Aware Super *Member Online* account and select “Make a claim” on the Insurance summary page, or
 - Call us on **1300 650 873**, Monday to Friday 8:00am to 7:00pm (AEST/AEDT), or
 - Request a call back online at aware.com.au/contact
- You'll need to have your super account information ready, including your member number, account number and date of birth. We'll also need to know the date of your illness or injury, and the last day you worked. This information will help us provide you with the right information on what you need to do next.
- If you prefer to call, we can answer any questions that you may have. We will help you get started by posting or emailing the forms to you. We may also be able to organise for the insurer to call you to start your insurance claim over the phone.

Claim paperwork

- Your claim pack will generally include forms that you, your treating medical practitioner and your current employer will need to complete. You'll also need to provide proof of your identification to lodge the claim.
- We can only assess your claim once we have all the necessary paperwork.
- Some of your documents may need to be certified. To check how to certify a document go to aware.com.au/verify or read the claim form provided in your claim pack.
- If you start your claim with the insurer over the phone or online, they'll send claim forms directly to you, along with any other required documentation. You'll also be connected with an insurance case manager to look after you.

Insurer assessment

- When you return your completed paperwork, we'll check to make sure we have everything we need. If there is something missing or incomplete, we'll let you know.

- If you haven't already started a claim with the insurer, we'll submit your claim to them so they can connect you with an insurance case manager.
- Your claim assessment may take some time, especially if the insurer needs extra information from other parties like your treating doctor(s), employer, and other insurers (for example, Workcover). In some cases, you may need to provide more information to the insurer, like your tax returns and payslips.
- The insurer may also request specific medical reports or need you to attend other medical appointments paid for by them. Your insurance case manager will let you know if this is the case.

Claim decision

- The insurer will make their decision to accept or decline your claim and will let us know the outcome.
- We'll review the decision to ensure that it is fair and reasonable, and that it meets the insurance policy terms and conditions.

Outcome

- We'll let you know once there's a decision made about your claim.
- If your claim is approved, we'll confirm the amount and whether it will be reduced by other payments you receive (like sick leave, Centrelink, workers compensation or payments from other IP policies). We'll also let you know more about the ongoing claims assessment process.
- The insurer will pay the monthly benefit (less any applicable tax) to your bank account once the waiting period has ended. This will be paid in arrears. If eligible, any super contributions will be paid to your super fund.
- If your claim is declined, we'll let you know the reason for the decision and will provide you with details on what you can do next.

Tracking your claim online

You may be able to track your claim online. Your insurance case manager can provide you with further details about how to log in and check the progress of your claim.



3 Your questions answered

What is income protection (IP) cover?

If you are unable to work because of illness or injury and you have IP cover, you can make a claim to be paid a monthly benefit. This does not include the release of any of your super account balance. If your claim is approved, you'll be paid monthly (in arrears) once your waiting period has ended.

Your waiting period is how long you'll need to wait before you start getting paid after you become disabled. The waiting period starts from the date your medical practitioner certifies you as being totally disabled. Your waiting period will last 14, 30, 60 or 90 days, depending on your policy.

The benefit period is the maximum amount of time the insurer will pay you a monthly benefit. The benefit period could last 2 years, 5 years or until you're 65, depending on your policy. It's also subject to ongoing assessments while you continue to be unable to work due to illness or injury.

To learn how IP benefits are calculated, read the relevant *Insurance Handbook* at [aware.com.au/pds](https://www.aware.com.au/pds)

Your benefit may be reduced (offset) by other payments you receive. For example, sick leave, Centrelink, workers, compensation or payments from other IP policies. To find out if you have IP cover and your benefit details, login to Member Online, or call us on **1300 650 873**.

What is the definition of total disability?

Generally, you will be considered totally disabled by the insurer if you're:

- unable to perform an income producing duty of your regular occupation, and
- not working, and
- under the care of a medical practitioner, and
- complying with the advice of the medical practitioner.

You'll need to meet the insurer's policy terms and conditions, including the relevant disability definitions. There may also be existing individual or policy exclusions on your cover which could affect your claim.

For more details about your IP benefits, read the relevant *Insurance Handbook* at [aware.com.au/pds](https://www.aware.com.au/pds)

Depending on the date you were medically certified as being totally disabled, a different definition may apply. Please contact us for the relevant definition.

Am I eligible to claim?

For the insurer to approve your IP claim, they'll need to determine whether you're totally disabled or partially disabled during and after the waiting period. If the insurer has concluded that you are totally disabled, benefit payments start if the insurer determines:

- the waiting period has ended, and
- during the waiting period, you were totally disabled for at least 7 out of 12 consecutive days, and
- you are not earning any income due to your total disability.

If the insurer has concluded that you are partially disabled, benefit payments start if the insurer determines:

- the waiting period has ended, and
- during the waiting period you were totally disabled for at least 7 out of 12 consecutive days, and
- you are earning less than your pre-disability income due to your partial disability. There may also be existing individual or policy exclusions on your cover which could affect your claim.

Read the relevant *Insurance Handbook* for further details.

When should I lodge my insurance claim?

You can lodge your claim once you have completed the claim documents, even if this is before your waiting period expires. This would allow the insurer to start their initial assessment, and help avoid any delays assessing your claim once the waiting period expires.

For more information about the waiting period, read the relevant *Insurance Handbook* at [aware.com.au/pds](https://www.aware.com.au/pds)

Can IP and total and permanent disablement (TPD) claims (if applicable) be lodged at the same time?

Yes. If you have both IP and TPD cover, you can make a claim for both insurance types at the same time.

Will my IP cover be affected by a TPD claim?

If you have a TPD claim which is approved, and you also have IP cover, we may cease your IP cover (and IP premiums) effective from the day that the insurer approves your TPD claim. You will continue to be able to make an IP claim if you have a date of disablement for IP purposes that is prior to this date.

If you are already receiving IP benefits on the date we cease your IP cover, you'll continue to be entitled to receive those payments until you cease to qualify for them (e.g. you reach the end of the IP benefit period).

If you want to obtain IP cover in the future, you will have to apply for it and the insurer may accept or decline your application. Read your relevant *Insurance Handbook* for further information.

How long does a decision take?

It generally takes five business days to review your claim paperwork and decide next steps. If we don't have all the information we need, your claim can't progress.

It typically takes 1–2 months to fully assess your claim, however if your injury or illness happened several years ago it may take longer. Your case manager will update you regularly on how your claim is progressing, and you can also contact them at any time.

Will there be costs for medical reports and examinations?

You are responsible for any costs required to complete the claim forms and any documents that the insurer reasonably requests for the initial and ongoing assessment of your claim. You may also need to provide other evidence that the insurer reasonably requires to substantiate your claim. This would be at your own expense.

The insurer may need you to attend medical examinations by a health professional that they nominate, and/or to undergo tests that they consider necessary – these will be at the insurer's expense. Your case manager will let you know if these are needed.

Is rehabilitation support and/or workplace modification available?

The insurer may, at its discretion, pay expenses relating to rehabilitation programs or workplace modifications. These are designed to help you return to your pre-disability occupation, or to retrain you in another occupation while you're receiving an IP benefit. The insurer will need to approve these costs before they are incurred, as they will pay the provider directly.

What happens once payments begin?

If your claim for IP benefits is accepted, monthly payments are paid to you by the insurer. They will regularly review your situation and make sure you're still eligible to receive ongoing payments. Your insurance premiums may be waived while you are in receipt of payments.

The insurer may suspend benefit payments if:

- you go to prison for committing a criminal act, or
- you refuse to go to a medical examination or provide any evidence such as medical, financial or other evidence as requested by the insurer.

Your benefit period continues while payments are suspended (as if payments are still being made), and the insurer won't make back-payments for payments you miss during a suspension.

Payments may end when one of the following happens:

- you're no longer totally or partially disabled
- your benefit period expires
- you reach age 65
- the insurer believes you have made a fraudulent claim
- you refuse to return to Australia after the insurer has asked you to return from overseas for ongoing assessment of your claim
- you refuse to undertake treatment or rehabilitation which in the insurer's opinion could help you return to work in an increased capacity
- you die.

Does my benefit increase over time?

If your benefit period is 5 years or to age 65, and you have been paid IP benefits for a continuous period of 12 months or more, the insurer may increase your benefit:

- on each anniversary date by the lesser of 5% and the increase in the CPI (minimum 0%)
- subject to the maximum cover limit.

What happens if I die while still receiving a benefit?

If you die while receiving monthly IP payments, a one-off lump sum payment may be paid into your Future Saver account. This payment is equal to three times your monthly IP benefit. This amount is reduced by the total of any IP payments made after you died.

Are there any financial or tax implications for receiving a payment?

IP payments are treated as regular income and are generally taxed at marginal tax rates (PAYG rates). We'll send you a *Tax File Number* (TFN) declaration form with your initial claim documents. Please complete this to let us know if you'll be claiming the tax-free threshold for any payments you receive from the insurer. The insurer will provide you with a Payment Summary at the end of each financial year

which you can use for your tax return. If we don't have your TFN, your benefits may be taxed at the highest marginal tax rate.

Please consider obtaining independent financial advice before you make any decisions about your payment.

For more information about tax on disability benefits read the *Super Handbook* at aware.com.au/pds



What happens if the insurer declines my claim?

If the insurer has reached an initial view that the insurance claim should be declined, they will write to you, and us, with a copy of all the evidence they will be relying on to reach their decision and an explanation, referring to the evidence and the insurance policy, as to why they have reached this view.

A period of 28 days will be provided for review of the proposed decision, for you to clarify or provide any additional information you wish the insurer to consider. At the end of the 28 day period the insurer will again assess the claim, including any additional information provided, and reach a final decision on the claim, which will be advised to the Trustee.

We will review the decision and if we disagree, we'll

ask for clarification or challenge the decision on your behalf. In some cases, we may need to ask for more information to support the claim. If we agree with the insurer's decision, we'll write to you with the decision, and advise the further steps you can take if you disagree.

Where you're not satisfied with the final decision, you can submit a complaint to us or to the insurer. If the complaint is not resolved to your satisfaction, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an independent body set up by the government to help resolve complaints relating to superannuation, including the payment of disability benefits. We'll provide further details about this process and AFCA's contact details if required.

Do I need legal representation?

We can't advise you on legal issues that may arise out of your claim. It may become necessary for you to obtain legal advice. This is entirely up to you. However, please be aware that:

- your Aware Super case manager will help you through each step of the process
- we have a legal obligation to act in the best interests of our members
- all claims are assessed on a fair and reasonable basis
- you will need to pay for the costs involved in having your own legal representative.

What are everyone's roles and responsibilities?

We, as the trustee will*:

- assign an Aware Super case manager to the claim who will:
 - explain the claim process to you and help guide you through it
 - answer any queries you might have
 - keep you updated on the progress of your claim.
- oversee the claim assessment process to minimise any delays
- oversee the conduct and timeframes of the insurer and other service providers
- complete an independent review if the insurer declines your claim, to ensure the decision is fair and reasonable.

The insurer will*:

- assign an insurance case manager to your claim who will:
 - explain the insurer's assessment process to you and answer any queries you might have
 - be your main claim contact while your insurance is being assessed
 - keep you updated regularly on the progress of your insurance claim.
- review the documents and request more information if needed
- assess if an IP benefit is payable based on the policy terms and conditions
- if approved, pay the IP benefit directly into your bank account net of Pay-As-You-Go (PAYG) tax and, if eligible, any super contributions will be paid to your super fund
- continue the ongoing assessment of your IP claim and payments
- notify you if they are likely decline your claim. They will give you the necessary information to review the decision and provide information for further assessment.

* In line with the standards and timeframes set out in the Financial Services Council's:
– Standard on Claims Handling for Superannuation Funds
– Life Insurance Code of Practice

We're here to help

Contact us

-  1300 650 873
-  [aware.com.au/contact](https://www.aware.com.au/contact)
-  [aware.com.au/advice](https://www.aware.com.au/advice)

Visit us

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[aware.com.au/locations](https://www.aware.com.au/locations)

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