



Employer quick guide

Applying for a CSS or PSS invalidity retirement certificate

About this guide

The *Superannuation Act 1976* and the *Superannuation Act 1990* provide that eligible employees under the Commonwealth Superannuation Scheme (CSS) who have not attained the age of 65, and members of the Public Sector Superannuation scheme (PSS) who have not attained the age of 60, are not to be retired on invalidity grounds unless Commonwealth Superannuation Corporation (CSC) has issued an invalidity retirement certificate (IRC).

This guide aims to provide you with information about the eligibility requirements a CSS or PSS customer must satisfy before being approved for an IRC, as well as CSC's assessment process, to assist you in gathering evidence so you can present us with a comprehensive application.

Eligibility

Totally and permanently incapacitated

Before issuing an IRC we must be satisfied that your employee is totally and permanently incapacitated (TPI). In making this assessment we will consider the definitions of TPI, which can be found in section 54B of the *Superannuation Act 1976* and Rule 1.2.1 of the PSS Trust Deed.

Considering work capacity

We will consider more than just whether your employee is unfit to perform their duties, looking holistically at their capacity for work. We will assess the individual's potential for employment in their current position or in other employment, including within another department/organisation or the private sector.

Practicality of employment

We will consider the practicality of you being able to provide your employee with another job that they are reasonably qualified for or could be qualified for after retraining, as well as the practicality of the individual obtaining a job with another employer. To address this, we may consider the possibility of rehabilitating your employee back to their former position, including attempts at rehabilitation and their outcomes, and the possibility of retraining or redeploying the individual to another position either with their current employer or another.



Process

Making an application

When all appropriate pre-application strategies have been attempted (see suggestions below in Lodging an Application) and an independent medical examiner has recommended the customer is TPI, complete the **Application for the issue of an invalidity retirement certificate (SPC) form**, collate the relevant supporting evidence and send the application to us via email or post.

Assessing the evidence

After receiving your application, we will assess the evidence provided to establish if a decision can be made about whether your employee is TPI. We may ask you to provide further information if we establish that there is not enough information to make a decision.

If your employee is not receiving compensation payments and is not already receiving pre-assessment payments, we will use the information in the application to determine whether pre-assessment payments can be paid to the individual. Refer to our guide on **Applying for and paying CSS and PSS pre-assessment payments** found on our website for further information.

We will make a decision once all information has been provided and we are satisfied that there is no reasonable doubt that your employee is TPI. If there is any reasonable doubt, the case is submitted to the Assessment Panel.

Examples of when doubt can be cast include:

- where there are differing medical opinions on the individual's capacity for work; or
- where pre-retirement strategies have not been appropriately explored.

The Assessment Panel's recommendation

The Assessment Panel is a panel of medical professionals who have expertise in the assessment of invalidity claims. They will provide us with a recommendation on whether your employee is TPI based on the evidence in your application and any other information we may have collated. The recommendation does not bind us, but we will consider it when making our final decision. If the Assessment Panel recommends to defer the application to be assessed at a later time, we will advise you and your employee of this and provide a copy of the recommendation. We will also advise you of when the application will be reassessed.

Our decision

We will make a decision on your application if we have enough information to determine whether your employee is TPI.

If we are satisfied your employee is TPI we will issue you and the individual a copy of our decision and the IRC. If the application was referred to the Assessment Panel, you and your employee will also receive a copy of the Assessment Panel's recommendation. We will also provide your employee with the appropriate benefit application form and a benefit estimate. You can then medically retire the individual.

If we are not satisfied that your employee is TPI we will not issue an IRC and you will be unable to medically retire them. You and your employee will be provided with copies of our decision and the Assessment Panel's recommendation (if obtained).

In both situations, we will provide the individual with information about their appeal rights. If they are dissatisfied with our decision, they may request reconsideration of the decision by completing the **Application for Reconsideration of a Decision** form.

Lodging an application

Pre-application strategies

An application for invalidity retirement should be the last consideration for a sick or injured employee. We expect that attempts at all other reasonable avenues of management will have been made before considering invalidity retirement. Strategies that should be considered before an application is made include:

- appropriate leave to allow adequate recovery time
- health assessments by appropriate specialists
- any treatment or strategy recommended by specialists or others
- for compensation cases, any recommendations made by the administering authority
- workplace and daily living assessments
- functional capacity evaluations and vocational assessments
- counselling and employee assistance programs
- neurological or psychological testing
- work conditioning and retraining
- pain management programs

- graduated return to work programs and rehabilitation
- reduction in hours and/or level, which may qualify an individual for a partial invalidity pension if they are not receiving compensation.

Documents required

The following documents must be provided to us when applying for an IRC. Once all documents have been compiled, send your application to **formsandapplications@csc.gov.au** or via post to **GPO Box 2252 Canberra ACT 2601**.

Covering letter

The covering letter should include a brief summary of the department's management of the individual's medical situation and the department's position on the case. The covering letter should contain information on aspects of the case that will not have been covered in other evidence from your application. If any pre-application strategies were not attempted, it is important to note this and the reasons why in your covering letter.

Application for issue of invalidity retirement certificate form (SPC form)

The form enables us to correctly identify who your application is about and provides us with your contact details. It also provides information to assist us with our decision on whether an individual is eligible to receive pre-assessment payments. It is important that your payroll team completes Section C of the form, which asks for information relating to your employee's continuous leave due to their medical condition and the expiry of their sick leave credits, as well as their superannuation salary at the time they commenced continuous leave. Both you as the case manager and your payroll team must sign and date this form.

Duty statement

Your employee's duty statement for their current position must be provided, even though they are not able to perform the duties because of their medical condition/s. If no duty statement is available, a description of the duties performed by the individual is sufficient.

Compensation provider's recommendation

If your employee is receiving compensation for the condition/s relating to the application, you must obtain a recommendation from the compensation provider which states with reasons whether they support invalidity retirement.

If your employee is receiving compensation for an unrelated condition, meaning the compensable condition is not one of the conditions that is causing the individual to be TPI, we will not require a recommendation from the compensation provider. However, we will require evidence from the compensation provider which names the compensable condition so we can consider whether they are eligible for pre-assessment payments (e.g. the compensation provider's approval letter).

Medical reports

Your application should include any earlier medical reports and any reports from any pre-application strategies attempted. This background information will help us to better understand the progression of your employee's medical condition/s. There are two important reports you must include in your application; a treating doctor's report and a report from an independent medical examiner. Both of these reports must be dated within six months of submitting your application and must address the questions on the **CSS and PSS doctor's report checklist for invalidity retirement** found on our **website**.

The independent medical examiner must be one of our approved medical practitioners (AMPs). The AMP report is also used in our assessment of pre-assessment payments. A list of AMP providers is on our website.

It is important when scheduling an AMP appointment that you are choosing a specialist that is appropriate for your employee's condition/s. An Occupational Physician should be examining individuals with physical conditions. A Psychiatrist should be examining those with mental health conditions. If the condition relates to pain, your employee should be examined by an Occupational Physician first so they can establish whether the pain condition is linked to a physical condition. If this is the case, the Occupational Physician should be able to address the **CSS and PSS doctor's report checklist for invalidity retirement** for both the physical and pain conditions. If the Occupational Physician cannot establish a link between the pain condition and a physical condition, or is unable to address the pain condition in their report, your employee needs to be examined by a Psychiatrist.

Leave history

Leave records should be provided for at least the period of time that your employee has been on continuous leave because of their medical condition/s.

Terminally ill customers

Fast-track provisions

We will fast-track the processing of applications for individuals who are suffering from a terminal medical condition where possible. To assist us with this fast track process, it is important that you clearly mark any terminal cases. We are usually able to provide a decision within five working days after we have all required evidence.

Your application must include the evidence listed above, under the heading 'Lodging an Application', however it is not necessary to obtain a report from an AMP if you can provide a report from a treating specialist and another treating doctor instead. Both of these reports need to address the **CSS and PSS doctor's report checklist for invalidity retirement** found on our website. It is important that these reports comment on your employee's life expectancy and whether they are TPI. If your employee is not being treated by two doctors, you will need to arrange an AMP assessment.

PSS terminal lump sum option

PSS customers that meet the below definition of having a terminal medical condition, and have supporting evidence, will have the option of taking a lump sum of their final benefit accrual, or taking their invalidity benefit accrual as a pension or as a pension and lump sum combination. The lump sum only benefit option does not include prospective service to age 60.

The evidence provided in your application will be used to determine the PSS customer's eligibility to the lump sum only benefit option. If the application is approved, the individual's benefit estimate will include this lump sum option.

The PSS terminal medical condition definition is:

a condition suffered by an affected person that has been certified by two or more medical practitioners, at least one of whom is not treating the affected person, who have experience in the condition(s), as being of either a terminal nature or of such severity that within two years of the date of their certificate the affected person would need assistance with personal or nursing care on a daily basis.

Australian Taxation Office (ATO) taxation arrangements for terminally ill customers

Customers with a terminal medical condition who are ceasing employment by any means may be eligible to receive any lump sum component of their benefit tax-free. To be considered for this tax concession, your employee's benefit application or your IRC application must include evidence from two registered medical practitioners who have certified jointly or separately that the individual suffers from an illness or injury that is likely to result in their death within 24 months of the date of certification. At least one of the registered medical practitioners needs to be a specialist practicing in an area related to the illness or injury, and the certification period for the certificates must not have ended. Information for **CSS** and **PSS** customers can be obtained from our **website**.

Contact us

EMAIL employer.service@csc.gov.au

PHONE 1300 338 240

FAX (02) 6275 7010

Information for CSS and PSS customers

What is invalidity retirement?

Invalidity retirement is a type of exit for individuals who are totally and permanently incapacitated (TPI). You can apply for invalidity retirement if you think you are unlikely ever to return to any form of work because of sickness or injury. If your application is approved, you will be issued with an invalidity retirement certificate (IRC) so that your employer can medically retire you. After you retire, you would be entitled to a life-time invalidity pension from the Commonwealth Superannuation Scheme (CSS) or the Public Sector Superannuation Scheme (PSS).

What is the test for invalidity retirement?

To approve your application, we must be satisfied that you are TPI. You will be taken to be TPI if we are reasonably satisfied that your ill health (whether physical or mental) makes it unlikely that you will ever work again in a job for which you are reasonably qualified by education, training or experience or could be qualified after retraining. When considering your ability to work, we will consider whether you can work with your current employer or in other employment, including another department/organisation or the private sector.

How do I apply?

If you wish to apply for invalidity retirement, we recommend you contact your employer's human resources section or similar who will assist you with the application process. If your employer is satisfied that all other reasonable strategies have been explored, they will arrange the required medical assessments and collect the evidence required for an application.

The application must include:

- a covering letter summarising your case
- an **Application for issue of invalidity retirement certificate (SPC) form**
- your duty statement or a description of duties for your current position
- if you are receiving compensation for a condition/s that is causing or contributing to you being TPI, a recommendation from the compensation provider about whether they support invalidity retirement
- a report from your treating doctor or specialist dated within six months of submitting your application which addresses the **CSS and PSS doctor's report checklist for invalidity retirement** found on our website
- a report from an independent medical examination by an approved medical practitioner dated within six months of submitting your application which addresses the above report checklist
- any other medical reports obtained by your employer during the management of your condition and any reports from pre-application strategies attempted, such as rehabilitation or graduated return to work reports
- your leave records

When we receive your application, we will review all documentation to ensure the application is complete. We may ask your employer to collect more information. Evidence provided as part of your application may be referred to any doctors or service providers who are asked to examine you and/or provide reports to assist us in making our decision. We may also send your application to the Assessment Panel for a recommendation.

What is the Assessment Panel?

The Assessment Panel is an independent panel of doctors who have expertise in invalidity matters. They provide recommendations about whether applicants are TPI. The Assessment Panel may recommend the application be:

- approved because they believe there is a real likelihood that you are TPI
- deferred to obtain additional evidence or to allow more time for your prognosis to become clearer or other pre-application strategies to be attempted
- declined because they have determined you do not satisfy the TPI definition.

The recommendations are not binding on us, so after reviewing the recommendation we may make a decision on your application or seek further information from you and/or your employer.

Who makes the final decision on my application?

We will make the final decision about whether to approve your application. If we approve invalidity retirement, we will issue an IRC. We will provide you and your employer with a copy of the IRC and our decision. We will also provide you with a benefit estimate and the relevant benefit application form to complete. You and your employer can then discuss a retirement date and complete your benefit application form.

If we defer making a decision, we will advise you and your employer of the additional requirements. If we do not approve invalidity retirement, we will provide you and your employer with copies of our decision. You will also receive information about your appeal rights if you are dissatisfied with our decision.

What if I am terminally ill?

There are fast-track procedures in place to allow for rapid processing of applications for individuals who are terminally ill. Your employer must obtain two reports from doctors treating you which address the **CSS and PSS doctor's report checklist for invalidity retirement** found on our website. There is no need for you to attend an independent medical examination, unless your employer cannot obtain reports from two different doctors. It is important that the medical reports provide the

doctor's opinion about your life expectancy so we can consider whether you are eligible for any tax concessions, or for an entire lump sum of your final benefit accrual if you are a PSS customer.

What happens when I run out of sick leave?

If you have used all of your sick leave credits and are not receiving compensation for a related condition, or have been off work for more than six months, we may be able to consider you for pre-assessment payments (PAPs). PAPs are similar to income maintenance which can be payable when there is a likelihood you will become TPI.

You may be granted PAPs if:

- you are not a limited benefits member of PSS; and
- you have been off work continuously for more than 28 days because of a serious medical condition; and
- you are not receiving compensation payments for the same condition which you are claiming is causing you to be TPI;

In addition to the above, PAPs can only be granted if:

- you have used all your paid sick leave credits in the first six months of being on leave, or
- you have been on leave for more than six months, regardless of how much sick leave you have left.

We will determine whether you are eligible for PAPs as soon as we receive your invalidity retirement application. Our decision to grant you PAPs has no influence on our decision about invalidity retirement, so if you are granted PAPs there is no guarantee that an IRC will be issued.

PAPs are paid from the date of commencement of continuous leave for your medical conditions, after all sick leave credits have been exhausted. The rate for the initial six months is 50% of your superannuation salary on the day you commenced the continuous leave.

After you have been on six months of continuous leave for your medical condition, PAPs are paid at the higher of either:

- 50% of your superannuation salary on the day you commenced continuous leave, or
- the amount of your maximum invalidity pension applicable at the six month mark.

Your employer will deduct super contributions and Additional Death and Invalidity Cover (ADIC) premiums from the PAP, as well as partial invalidity pension (PIP) and compensation amounts. After the first six months, your employer will also deduct sick leave.

We will advise you and your employer if PAPs are approved. We will calculate the fortnightly amount payable and provide this along with the effective date of PAPs to your employer. PAPs are not deducted from any invalidity benefit which might become payable if your application is approved. If your application is not successful and an IRC is not issued, you do not have to repay PAPs and the amount you have received will not impact any super benefit that may become payable to you in the future. However, you would have to repay PAPs if you are successful in a compensation claim and compensation is awarded for periods when PAPs have been paid. If after reviewing the application we find that you aren't eligible for PAPs, we'll let you know.

What happens if I am able to work again?

Your invalidity pension may be impacted if your health improves to a level where you begin working again. Being permanently reappointed to the Australian Public Service (APS) will cease your entitlement to the invalidity pension. On the other hand, if you begin working outside of the APS, or are not permanently reappointed to the APS, your invalidity pension may be affected by your personal earnings. You will need to notify us in writing of any personal earnings using the **Invalidity pensioner employment and personal earnings declaration (IPED) form** on our website. We will review your personal earnings using the information in the form and determine whether an adjustment to your pension is required. You can find more information about personal earnings on the IPED form.

Where can I get more information?



**Commonwealth
Superannuation
Scheme**



**Public Sector
Superannuation
Scheme**

EMAIL members@csc.gov.au
PHONE 1300 000 277
FAX (02) 6275 7010
MAIL CSS
GPO Box 2252,
Canberra ACT 2601
WEB csc.gov.au

EMAIL members@pss.gov.au
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FAX (02) 6275 7010
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