



# Employer quick guide

## Reviewing a PSS partial invalidity pension

### About this guide

Under the *Public Sector Superannuation Scheme (PSS) Trust Deed*, Commonwealth Superannuation Corporation (CSC) may review a PSS customer's partial invalidity pension (PIP) entitlement and adjust the rate payable in certain circumstances. Full information about the provisions for PIPs can be found in the PSS Trust Deed at Part 10, Division 5.

This guide aims to provide you with general information about PIPs and will assist you in gathering evidence so you can present us with a comprehensive application.

### What is a PIP?

A PIP is a pension paid to an eligible customer of PSS who has incurred a permanent decrease in salary due to sickness or injury. A loss of recognised allowances for medical reasons may also attract a PIP. A PIP may also apply in circumstances where an invalidity pensioner returns to work in a position where their annual salary is less than the equivalent of the annual salary they received when they retired on invalidity grounds.

A PIP is a separate and additional benefit designed to assist sick or injured PSS customers to remain at work in modified situations for as long as possible. Payments for a PIP are not deducted from any future superannuation entitlements.

### PIP reviews

PSS customers in receipt of a PIP can be medically reviewed at any stage to determine whether the rate should continue or be varied. It is your responsibility to monitor your employee's capacity to work at their approved hours and/or level. You or your employee can contact us at any time to commence a review if their capacity to undertake the approved hours and/or level has changed.

### Employment status - formal and informal

Your employee's employment status was determined before we approved their initial PIP entitlement. However, the employment status can be changed at any time subject to changes being negotiated between you and your employee. The different employment statuses are:

- **formal redeployment** - the individual's substantive level has been permanently changed to a lower position
- **informal redeployment** - the individual is permanently but not officially redeployed to a lower position
- **formal reduction in hours** - the individual signs a part-time agreement or similar to permanently reduce their working hours and become a permanent part-time employee (PPTE)
- **informal reduction in hours** - the individual remains a full-time employee, but informal arrangements are made to work reduced hours on a permanent basis.



Commonwealth  
Superannuation  
Corporation

Any advice provided in this guide is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs. You may wish to consult a licensed financial advisor. Before making any decision in relation to a scheme referred to in this guide, you should obtain a copy of the Product Disclosure Statement (PDS) for that scheme.

Commonwealth Superannuation Corporation (CSC) ABN: 48 882 817 243, AFSL: 238069, RSEL: L0001397

Defence Force  
Retirement and Death  
Benefits Scheme  
ABN: 39 798 362 763

Australian Defence  
Force Superannuation  
ABN: 90 302 247 344  
RSE: R1077063

Commonwealth  
Superannuation  
Scheme  
ABN: 19 415 776 361  
RSE: R1004649

Public Sector  
Superannuation  
accumulation plan  
ABN: 65 127 917 725  
RSE: R1004601

Military Superannuation  
and Benefits Scheme  
ABN: 50 925 523 120  
RSE: R1000306

Australian Defence  
Force Cover  
ABN: 64 250 674 722

Public Sector  
Superannuation Scheme  
ABN: 74 172 177 893  
RSE: R1004595

1922 Scheme  
DFRB Scheme  
PNG Scheme  
DFSPB  
CSC retirement income

## Effect on contributions, future benefits and leave

The table below provides a summary of the effect a PIP has on member, productivity (EPSC) and employer liability contributions and the way in which the PSS customer's future superannuation benefit is calculated. More information can be found in our **Applying for a partial invalidity pension** quick guide.

	Formal redeployment	Informal redeployment	Formal reduction in hours	Informal reduction in hours
Member contributions	Reduced to lower salary on next birthday	No change	Part-time contributions paid from next birthday	No change
EPSC and employer liability	Paid at pre-reduction salary	Paid at pre-reduction salary	Paid at pre-reduction salary	Paid at pre-reduction salary
Future benefits	Not affected - benefits are calculated using pre-reduction salary	No change	Not affected - benefits are calculated using pre-reduction salary	No change

The payment of a PIP does not affect a PSS customer's leave accrual.

A PIP is payable for paid leave taken by PSS customers under formal arrangements (e.g. formal redeployment or formal reduction in hours), except where the leave is taken at their pre-reduction rate.

A PIP is not payable for paid leave taken by PSS customers under informal arrangements.

## Process

### Documents for a PIP review

The following documents are required to support a change to your employee's PIP. You are responsible for covering the cost of medical assessments and reports. Once all documents have been compiled, send your application to [formsandapplications@csc.gov.au](mailto:formsandapplications@csc.gov.au) or via post to GPO Box 2252 Canberra ACT 2601.

### Documents required

#### Evidence regarding employment status

You need to provide evidence to support that a change to your employee's working arrangement has occurred as outlined below:

- Formal redeployment - the letter from your agency's delegate regarding the change to your employee's substantive level. Their acceptance of this change should also be included in your application.
- Informal redeployment - a delegate's instrument signed by your agency's delegate outlining the change to your employee's level. The delegate's instrument can be found on our website. Your employee's acceptance of this change should also be included in your application.
- Formal reduction in hours - the part-time agreement signed by your employee and your agency's delegate. If your agency no longer uses paper-based part-time agreements, you will need to provide a screenshot of your personnel system which displays all changes to the individual's hours and note this on your covering letter.
- Informal reduction in hours - a delegate's instrument signed by your agency's delegate outlining the change to the individual's hours. The delegate's instrument can be found on our website. Your employee's acceptance of this change should also be included in your application.

If your employee is on higher duties, ensure you include information about the duration of the higher duties, the reasons for being on higher duties, and the higher duties and substantive salaries.

#### Leave history

Leave records should be provided for the period since your last contact with us about your employee's PIP.

#### Duty statement (if applicable)

If the review relates to your employee being redeployed, provide a copy of the duty statement applicable to their new role. If they have changed hours only and their level has remained the same, there is no need to provide a duty statement as the one provided in the initial application will still apply.

### **Treating doctor report**

The doctor treating your employee for the condition/s relating to the PIP must provide a current report addressing the **PSS PIP review - report checklist for medical officers** found on our website. The report must include the treating doctor's recommendation of new working arrangements for your employee.

### **Independent medical examiner's report**

An examination of your employee must be undertaken by an independent medical examiner who is suitably qualified in the field of the medical conditions. The independent medical examiner must consider the treating doctor's report with their recommendation of new working arrangements. After the examination, the independent medical examiner must provide a report addressing the **PSS PIP review - report checklist for medical officers** found on our website.

### **Other reports**

Any other medical reports you have obtained since your last contact with us about your employee's PIP should also be provided.

### **Covering letter**

The covering letter should include a brief summary of the department's management of the individual's medical situation since the last time you liaised with us about their PIP.

### **PIP review application form**

The form enables us to correctly identify who your application is about and provides us with your contact details. It also provides us with important information about your employee's new reduced hours and/or level. Your employee must read the Frequently Asked Questions section found on page 4 of this document carefully before signing and dating the declaration on the application form. The case manager applying for the PIP review must sign the declaration in Section E of the application form.

## **Further information**

### **The PIP amount**

The PIP amount varies for each PSS customer. Specific formulas are contained in the PSS Trust Deed at Part 10, Division 5. We will calculate the correct pension amount depending on the customer's specific circumstances as advised to us by you.

### **Increasing the PIP amount**

There are some circumstances where you may be able to adjust the amount of PIP without our prior approval, such as when a pay rise occurs or your employee begins receiving a recognised allowance. In all other circumstances, you must submit a request to us for a review of your employee's entitlement.

### **Ceasing a PIP**

A PIP must cease when:

- the person's basic salary and recognised allowances equal or exceed the basic salary and recognised allowances applicable prior to the person qualifying for the PIP
- the medical condition/s no longer impact the person's work capacity
- the person ceases their PSS membership
- the person subsequently becomes entitled to compensation payments for the same condition that has caused the decrease in salary.

PIPs may be suspended when your employee takes leave without pay-that is not sick leave without pay-and for any periods of fully paid leave. We may need to stop a PIP if your employee fails to complete a step in the PIP review process, for example if they cannot provide medical evidence as requested, or if they fail to attend or continue a program of rehabilitation. We will let you know that you need to stop the PIP if this happens.



### **Employer Service Desk contact details:**

Phone: 1300 338 240

Fax: (02) 6275 7010

Email: [employer.service@csc.gov.au](mailto:employer.service@csc.gov.au)

## PIP reviews - frequently asked questions for PSS customers

### Can I change my hours or level?

If you feel that your hours and/or level require modification because of a change to your medical condition/s, approach your rehabilitation case manager or similar so they can arrange the appropriate medical assessments. They will also contact us to arrange a review of your PIP. If your treating doctor and an independent medical examiner suggest a change to your working arrangements, your employer will provide us with the following documents:

- the document that changed your working arrangements, such as a redeployment letter or part-time agreement, and advice about any current higher duties
- the reports from your treating doctor and the independent medical examiner containing information about their recommended changes to your working arrangements
- any other medical reports your employer has obtained since their last contact with us about your PIP
- your leave history since your employer's last contact with us about your PIP.

### What if nothing has changed?

If your medical condition and modified working arrangements have not changed, you will not need to attend a medical assessment at the time of review. Your employer will advise us in writing that nothing has changed.

### Will my PIP be varied at any other time?

Your PIP may be adjusted for reasons other than for changes to your working arrangement. Your employer may adjust your PIP if your current or former salaries change because of pay rises, increment changes, promotions, higher duties or when an allowance accepted as salary for superannuation purposes is applied. If you work more hours or higher duties, your employer will recalculate your PIP to account for the increase to your current salary.

### Can I change from formal to informal, or vice versa?

A change to your employment status can occur at any time. If a change occurs, your employer must contact us so that your PIP can be reviewed. Formal and informal PIPs are granted under different provisions in the legislation, so we need to make a new decision on your PIP if your employment status changes.

### When will my PIP cease?

Your PIP will cease if your decreased salary becomes equal to or greater than your updated previous salary, your medical circumstances no longer apply, you cease to be a PSS customer, or you become entitled to compensation for the same medical condition/s. Your PIP will be suspended when you take leave without pay that is not sick leave without pay. Your PIP will be stopped if you fail to complete a step in the PIP process, such as refusing to provide medical evidence when requested, or if you fail to attend or continue a program of rehabilitation.

## How can I get more information?

**EMAIL** [members@pss.gov.au](mailto:members@pss.gov.au)

**PHONE** 1300 000 377

**FAX** (02) 6275 7010

**MAIL** PSS  
GPO Box 2252,  
Canberra ACT 2601

**WEB** [csc.gov.au](http://csc.gov.au)



**Email**  
[employer.service@csc.gov.au](mailto:employer.service@csc.gov.au)



**Phone**  
1300 338 240



**Fax**  
(02) 6275 7010



**Post**  
Employer Service  
GPO Box 2252  
Canberra ACT 2601



**Web**  
[csc.gov.au](http://csc.gov.au)



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