



Superannuation Lump Sum Disability Payments

You may have an entitlement to a payment from a superannuation policy if you are unable to work because of injury or illness.

Disability Insurance - Total and Permanent Disability (TPD)

Almost all superannuation funds have insurance policies for the benefit of members who are unable to work. These benefits are in addition to other personal injuries entitlements or workers compensation.

To be eligible for TPD benefits, you will need to demonstrate that your injury or illness has stopped you from working, that you are unable to continue working in your usual job and any other occupation that fits your skills, training or education. For TPD claims you do not have to prove that the injury or illness was caused by someone else or that it is work related.

Benefits That Will Be Paid

Upon meeting the relevant criteria, you will be able to receive the insurance benefits as well as getting the

superannuation early. The benefits are paid either as lump sum or regular payments.

Evidence Required In Support of a Claim

Claims must be supported by medical evidence confirming that you meet the criteria for TPD. It is essential that doctors are sent thorough letters regarding the definition and how the definition is to be interpreted.

In addition to medical evidence all aspects of your education, training and experience should be clearly set out and evidence provided as to why you are not suitable for any of your past jobs or any other jobs that might be considered suitable.

Accident and Trauma Claims

Many insurance and superannuation policies entitle the policy holders to a lump sum payment if the policy holder suffers a particular injury or develop a particular illness. These injuries and illnesses are defined in the relevant policy.

Insurance companies are profit making business and their staff are trained to scrutinise claims with a view to declining it or substantially reducing the entitlement of the policy holders. That is why it is worth obtaining legal advice early on to ascertain your correct entitlements. Policy holders can issue court proceedings to enforce their correct entitlements.

Death Benefits

Death of loved ones is tragic enough and this can be compounded if the deceased was the main source of income for their dependants.

All Australian superannuation funds have death benefits included in their policy. Superannuation death benefits are generally paid to the spouse, children, dependants or legal personal representative of the deceased.

Income Protection

If you are unable to work temporarily due to an illness or disability, you may have a claim to access Income Protection

benefits. Evidence of illness or disability has to be provided but the cause is irrelevant.

Income protection benefits are usually paid for a set period, mostly two to five years. However, there are policies which pay to age 65. Income protection benefits are paid mostly at 75% of your usual wage or salary. Some income protection policies have waiting periods.

Insurers will attempt to cut off income protection benefits early by obtaining medical reports from insurance doctors to say that you are now capable of working. It may not be sufficient for the insurer to cease income protection benefits by relying on a medical report that simply states that you are now capable of returning to work. It may not be possible to return to work for other reasons.

You should obtain legal advice early to assist with making a claim for income protection benefit or if same has been cut off prematurely.

This article is meant for general information only and should not be relied upon as legal advice.

Rahul Nand is an experienced Personal Injuries Lawyer and can be contacted at RN Legal on (02) 9191 9293 or rahul@rnlegal.org.

