

# Weekly Income Compensation

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## 1. Purpose

- 1.1 This policy gives guidance on administering entitlement to Weekly Income Compensation under the Veterans' Support Act 2014.
- 1.2 Weekly Income Compensation is an income support payment for Scheme One veterans unable to work full-time due to any injury or illness. A veteran's spouse, partner, children or dependants cannot access Weekly Income Compensation. They may be eligible for a Surviving Spouse or Partner Pension, Children's Pension or Dependant's Pension. See separate papers on these entitlements.
- 1.3 Refer to separate policies on *Weekly Compensation for Veterans* and *Weekly Compensation for Spouse or Partner, Children or Dependants* for Scheme Two veterans and their families.

## 2. Legislative reference

- 2.1 Relevant legislation is:
  - Sections 7, 11, 27, 28, 29, 38, 59-65, 270, Veterans' Support Act 2014.
  - Regulation 8, Health Entitlement Card Regulations 1993.

## 3. Eligibility for Weekly Income Compensation

- 3.1 Veterans are eligible for Weekly Income Compensation if they meet all of the following:
  - have eligible service

before 1 April 1974, or

before 31 March 1975 with the Civilian Surgical Team (Qui Nhon, Viet Nam), or

before 21 April 1975 with 41 Squadron (Viet Nam)

- are under the New Zealand Superannuation age (exceptions in section 7 of this Policy)
- not receiving a benefit under the Social Security Act 2018
- unable to work full-time due to any injury or illness
- participating in rehabilitation set out in their Your Plan if assessed as able to do so.

Sections 38 and 59 of the Veterans' Support Act 2014

#### Veterans undergoing treatment and still employed

3.2 Veterans who are in employment can receive Weekly Income Compensation during the period they are unable to work while receiving treatment for an

injury or illness. Provided they do not take sick leave or annual leave or do not work part-time no abatement will apply.

#### Disqualifying circumstances

- 3.3 A veteran's claim to Weekly Income Compensation may be excluded if, when his or her injury or illness occurred, he or she was:
  - a deserter
  - absent without leave
  - was committing an offence.

Section 28(a) & (b) of the Veterans' Support Act 2014

3.4 Veterans' Affairs may, however grant Weekly Income Compensation if it is satisfied on reasonable grounds that exclusion for the above reasons would be unfair to the veteran (e.g. because the desertion or absence without leave was brief, or the offence was minor in nature).

Section 28(1A) of the Veterans' Support Act 2014

3.5 Claims in relation to an injury or illness that is wholly or substantially due to the ageing process will be declined.

Section 28(4) of the Veterans' Support Act 2014

#### **Social Security Act benefits**

3.6 A veteran cannot receive Weekly Income Compensation and a benefit under the **Social Security Act 2018**. If the benefit is stopped Weekly Income Compensation can be granted.

Section 59(1)(d) of the Veterans' Support Act 2014

- 3.7 A benefit includes:
  - Jobseeker Support
  - Supported Living Payment
  - New Zealand Superannuation
  - Veteran's Pension
  - an incentive payment
  - an accommodation supplement
  - allowances (including child disability allowance, childcare assistance, temporary additional support, or a disability allowance).
- 3.8 Funeral grants paid under the Social Security Act are not considered benefits.

Section 59(1)(d) of the Veterans' Support Act 2014

#### **ACC Weekly Compensation**

3.9 ACC provides Weekly Compensation for those unable to work because of an accident-related injury at a rate of 80% of the claimant's pre-injury income.

- 3.10 A veteran cannot receive both Weekly Compensation from ACC, and full Weekly Income Compensation from Veterans' Affairs.
- 3.11 If ACC is paying less than the rate that Weekly Income Compensation would be paid, Veterans' Affairs will pay the difference. If ACC is paying more, no Weekly Income Compensation will be paid.
- 3.12 Veterans who have been declined by ACC may be eligible for Weekly Income Compensation.

Section 64 of the Veterans' Support Act 2014

## 4. Application for Weekly Income Compensation

#### **Start of entitlement**

- 4.1 A veteran becomes entitled to Weekly Income Compensation when they have:
  - completed and provided an application form to Veterans' Affairs
  - supplied the supporting evidence required by Veterans' Affairs; and
  - Veterans' Affairs has accepted the application.

Section 60(1) of the Veterans' Support Act 2014

4.2 If Veterans' Affairs accepts the application, entitlement begins on the day Veterans' Affairs received the application.

Section 60(2) of the Veterans' Support Act 2014

#### **Evidence of earnings**

- 4.3 Veterans who are working part-time must provide all of the following details:
  - their tax code and IRD number
  - type of work they do or did
  - their wages in the 12 months before they were unable to work full-time
  - employers in those 12 months
  - other earnings from that period
  - periods of time they were not working
  - if they have stopped earning, sick pay, holiday pay, termination pay or redundancy pay they received or are receiving.
- 4.4 If the veteran is not working at all Veterans' Affairs only requires their tax code and IRD number.
- 4.5 Veterans can consent to Veterans' Affairs to obtain their earning details from IRD on their behalf.

#### Offence to mislead

4.6 Veterans (or their representatives) must not mislead Veterans' Affairs in order to receive Weekly Income Compensation, either actively by making

statements about their earnings known to be false, or by wilful omission. This is an offence which can lead on conviction to imprisonment for up to three months, or a fine of up to \$5,000.

Sections 270(1) and 270(4) of the Veterans' Support Act 2014

#### Identification, service history and bank account details

- 4.7 Except where already provided to Veterans' Affairs for another entitlement, veterans must supply their service number and one of the following documents verifying their identity:
  - certified full birth certificate
  - current passport
  - drivers licence
  - firearms licence.
- 4.8 Veterans must also provide their:
  - bank account details (if an overseas bank account a certified copy of a bank statement is required); and
  - service history details.

#### **Evidence of incapacity**

- 4.9 Veterans must supply from a medical practitioner:
  - diagnosis of each injury or illness
  - confirmation of the veteran's fitness to undertake work, if they are:

fully unable to work full-time in their current or previous role; or fully unable to work full-time in all types of work; or able to do some work.

4.10 Full requirements for medical certificates are set out in Appendix 1.

#### **Application timeline**

- 4.11 Veterans' Affairs must within 7 **working days** after receiving the application, acknowledge receipt of the application. The veteran must be kept up-to-date on the progress of the application.
- 4.12 Veterans' Affairs will make a decision on a claim as soon as practicable after receipt of the application.
- 4.13 Veterans' Affairs will give notice of its decision on a claim in writing, providing:
  - the reasons for the decision, and
  - information about the veteran's right of review.

Section 11 of the Veterans' Support Act 2014

#### **Overseas applicants**

4.14 Veterans living overseas can apply for Weekly Income Compensation, but must pay the costs of assessing whether they are unable to work full-time.

Section 59(2) of the Veterans' Support Act 2014

## 5. Determining whether a veteran is able to work

5.1 The Rehabilitation Adviser assesses a veteran's ability to work from the medical information provided and provides their findings to a Decision Officer to determine the veteran's entitlement to Weekly Income Compensation.

#### Establishing a veteran's inability to work

5.2 See Appendix 2: Flowchart for gathering entitlement information.

#### Serious injury or illness: unable to work

5.3 If the veteran has a serious injury or illness and it is clear from the medical certificate it is unlikely they will be able to sustain employment (e.g. severe brain injury), they are considered seriously incapacitated and the application is referred to the Decision Officer.

#### Serious injury or illness: work ability unclear

5.4 If the veteran has a serious injury or illness but their ability to sustain employment is unclear (e.g. has burns, multiple fractures, or paraplegia), the Rehabilitation Advisor will consult with the Decision Officer and an appropriately qualified medical professional to determine whether to conduct a Vocational Assessment or obtain an Occupational Assessment.

## Serious injury or illness but likely to sustain employment, or not a serious injury or illness

5.5 If the veteran has a serious injury or illness but is likely to be able to sustain employment, or does not have a serious injury or illness, the Rehabilitation Advisor will consider whether the veteran has previous suitable employment history.

#### Suitable employment history

- 5.6 Suitable employment history is a history of working in a job which, considering the veteran's injuries or illness, they will be able to return to in the future.
- 5.7 In determining suitable employment history the Rehabilitation Advisor will establish all of the following:
  - general type of employment the veteran is/was employed in
  - general duties they must perform for that employment
  - broad characteristics of employment type and the veteran's limitations due to the injury or illness
  - period per week the veteran normally had to be available for work in that job

- whether or not workplace modifications have been or could be applied to minimise the veteran's restrictions.
- 5.8 The Rehabilitation Advisor will decide if a vocational or occupational assessment is needed. They may consult with the Decision Officer and an appropriately qualified medical professional for information to support this decision.

#### Ability to work part-time

5.9 Veterans' Affairs will consider whether a veteran can be helped to transition into part-time work, particularly if this will help them to transition into full-time work when able.

Section 62(2) and (4) of the Veterans' Support Act 2014

## 6. Payment of Weekly Income Compensation

- The amount of Weekly Income Compensation paid will depend on whether the veteran has any earnings that need to be taken into account.
- 6.2 Weekly Income Compensation is paid at 80% of the **average wage** as at 1 April each year within the meaning of the Social Security Act 2018. A veteran's earnings before their incapacity have no impact on the rate paid.

Section 61 of the Veterans' Support Act 2014

6.3 If a veteran receiving Weekly Income Compensation is working part-time, Veterans' Affairs must reduce their entitlement so their combined earnings and Weekly Income Compensation do not exceed the average wage (this is called abatement).

Section 63 of the Veterans' Support Act 2014

- 6.4 If ACC is paying a veteran Weekly Compensation at a rate that is less than the Weekly Income Compensation rate of 80% of the average wage, Veterans' Affairs will top up the ACC Weekly Compensation payments to this amount.
- 6.5 If the ACC Weekly Compensation is higher than 80% of the average wage, no Weekly Income Compensation will be paid.

Section 64 of the Veterans' Support Act 2014

- Veterans using New Zealand bank accounts will receive the Weekly Income Compensation on a fortnightly basis.
- 6.7 Payments to an overseas bank account are made on a four-weekly basis.

#### Tax treatment of Weekly Income Compensation arrears payment

6.8 A Weekly Income Compensation arrears payment is treated by the Inland Revenue Department as salary and wages and will be taxed accordingly. If a veteran's Weekly Income Compensation arrears payment covers a period extending over more than one tax year the Inland Revenue Department will

calculate tax liability of the full amount of the arrears payment in the year it is received and returned to IRD.

## 7. Community Services Card

7.1 A veteran in receipt of Weekly Income Compensation may be eligible to receive a Community Services Card without income testing.

Regulation 8(1)(ab) of the Health Entitlement Cards Regulations 1993

7.2 The spouse or partner of a veteran in receipt of a Community Services Card may also be eligible to receive a Community Services Card. Any eligibility the spouse or partner may have to a Community Services Card in such circumstances ends on the veteran's death.

Regulation 8(3) of the Health Entitlement Cards Regulations 1993

## 8. End of eligibility

- 8.1 A veteran's eligibility to Weekly Income Compensation ends when the veteran:
  - dies, or
  - reaches superannuation age, or
  - is non-compliant (see below for examples)
  - is in prison
  - resumes full-time work or is assessed as being able to work full time

#### Death of veteran

8.2 Veterans' Affairs will stop Weekly Income Compensation payments as soon as advised of the recipient's death. It will not seek to recover any debt associated with overpayments that occur within the first 28 days following the death.

#### Reaching superannuation (or Veteran's Pension) age

- 8.3 Eligibility for Weekly Income Compensation ends when a veteran reaches 65 years of age if the veteran has received the entitlement for two years or more. Veterans can receive New Zealand Superannuation or the Veteran's Pension if eligible.
- 8.4 Special rules apply if a veteran first becomes entitled within two years of turning 65 or over 65, and are conditional on participation in their rehabilitation plan.

End dates for Weekly Income Compensation (unless stopped earlier)

Start of entitlement	End date (unless stopped earlier)
Has been entitled for 24 months or longer before reaching 65 years of age.	When the veteran reaches 65 years of age.
Has been entitled less than 24 months before reaching 65 years of age.	24 months after start of entitlement.
First became entitled on or after reaching 65 years of age.	24 months after start of entitlement.

8.5 The end dates above that apply in New Zealand cannot be adjusted to account for different superannuation age limits that apply in other countries.

#### Non-compliance

- 8.6 To receive Weekly Income Compensation, veterans must participate in rehabilitation set out in their Your Plan. A veteran is not required to participate in rehabilitation if Veterans' Affairs determines that injury or illness prevents him or her from doing so. For example, a veteran suffering total incapacity from a severe stroke will not be required to participate in the vocational section of their Your Plan.
- 8.7 If, however, for example, a veteran's injury or illness makes them unable to drive a car, this will not restrict their participation in Your Plan because the veteran can access travel support for treatment (for service-related injury) and rehabilitation support.

Sections 59(1)(c)(i) and 59(1)(c)(ii) of the Veterans' Support Act 2014

- 8.8 Veterans' Affairs may suspend or cancel entitlement if a veteran is able to participate in rehabilitation, but is doing any of the following:
  - not providing all relevant information despite a reasonable request
  - refusing to undergo assessment
  - refusing to co-operate in development or implementation of rehabilitation in his or her Your Plan
  - refusing to undertake rehabilitation in accordance with their Your Plan.

Sections 27 and 59(1)(c) of the Veterans' Support Act 2014

#### Reasonable request

- 8.9 A request is reasonable when the decision-maker takes into account the relevant factors, uses reliable evidence and makes a decision in good faith and for a proper purpose.
- 8.10 The Manager Veterans' Services determines final decisions on whether a veteran has failed to comply with a reasonable request and their entitlement should cease.

#### Example: Reasonable request and unreasonable refusal

- 8.11 Veterans' Affairs asks a veteran to attend a medical assessment in two weeks' time. The veteran is advised in writing about the assessment and the implications of non-compliance. The veteran ignores the request to attend the assessment, saying they did not have enough notice, or did not choose the provider, or have not been told about non-compliance. Any of these responses is considered unreasonable.
- 8.12 See Appendix 3 for details of administration of non-compliance (including warning, timings of suspension, and cancellation).

#### **Imprisoned veterans**

8.13 A veteran who is a **prisoner** in any **prison** is not entitled to receive Weekly Income Compensation.

Section 29 of the Veterans' Support Act 2014

8.14 If, however, the veteran has dependents, Veterans' Affairs will work with the Ministry of Social Development and the veteran's family to ensure continuity of income and will not stop Weekly Income Compensation payments until it is clear that the family is safe and supported.

#### Resuming full-time work

8.15 Veterans who resume full-time work, or who are assessed as able to resume full-time work, are no longer eligible for Weekly Income Compensation.

Section 59(1)(b) of the Veterans' Support Act 2014

#### Informing Veterans' Affairs of return to work

8.16 A veteran must inform Veterans' Affairs when he or she returns to work.

Section 27(2)(a) of the Veterans' Support Act 2014

- 8.17 Veterans who return to work without notifying Veterans' Affairs are liable to repay any Weekly Income Compensation paid to them while they are working.
- 8.18 If the veteran has been working and receiving Weekly Income Compensation for more than five working days without informing Veterans' Affairs, Veterans' Affairs may investigate whether the veteran has misled by wilful omission in order to continue to receive Weekly Income Compensation.

#### Evidence that a veteran has returned to work

8.19 A veteran will be considered to have returned to full-time work for the purposes of ceasing their entitlement if Veterans' Affairs receives verbal or

written confirmation from the veteran, their spouse or partner, or their employer.

8.20 The Manager Veterans' Services or Team Leader Case Management determines final decisions on whether a veteran has returned to work and whether their entitlement should cease (if they have the delegation/authority to do so).

#### Veterans assessed as able to return to full-time work

8.21 Veterans' Affairs may assess a veteran as able to return to full-time work in either the same job they had before their injury or illness; or another job.

Section 62 of the Veterans' Support Act 2014

- 8.22 A veteran's ability to return to work will be determined by the Manager of Veterans Services or the Team Leader Case Management, in consultation with the Rehabilitation Advisor, taking into account:
  - the nature and severity of the veteran's injury or illness; and
  - any treatment and rehabilitation outcomes from the veteran's Your Plan; and
  - any vocational or occupational assessment; and
  - any medical certificate provided.

#### Resuming part-time work

8.23 If a veteran has been working part-time, and has been receiving an abated Weekly Income Compensation, their ability to work full-time may also need to be re-reassessed.

#### Notice periods for ceasing entitlement

- 8.24 The time allowed for ceasing entitlement after a veteran is assessed as able to work full-time depends on whether they are able to resume work in the same job, or in a different job (see table below).
- 8.25 These timings should not come as a surprise to the veteran and should be discussed with them verbally.

# Notice periods before stopping Weekly Income Compensation due to change in work status

Veteran returns to work full-time.	Weekly Income Compensation stops from the date veteran returns to full-time work.
Veteran is assessed as able to return to work	If the veteran has been receiving payments for less than 6 months, entitlement ceases after 10 days notice of this assessment.
full-time in the same job they had previously.	If the veteran has been receiving payments for more than 6 months and is assessed as being able to return to the same job, entitlement ceases when they return to work, or 28 days after they are assessed whichever occurs first.

Veteran is assessed as able to return to work full-time, but in a job that's different to their previous job.	Entitlement ceases on the day veteran returns to work, or 28 days after the assessment whichever occurs first.
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Section 62 of the Veterans' Support Act 2014

## 9. Reviews and Appeals

9.1 If a veteran disagrees about a decision concerning eligibility for an entitlement or service see policies on **Reviews** and **Appeals**. If a veteran is concerned about Veterans' Affairs' administration of an entitlement or service see policy on **Complaints**.

## **Appendix 1: Medical certificate requirements**

## 1. Evidence from a medical practitioner

- 1.1 Medical certificates must include details from a medical practitioner, including:
  - diagnosis of the veteran's conditions by a specialist; and
  - confirmation of the veteran's ability to undertake work, if they are either:
    - unable to work full-time in their current or previous role; or
    - unable to work full-time in all types of work; or
    - able to do some work.
- 1.2 See medical certificate flowchart.

#### Rules for medical certificates for incapacity

- 1.3 Medical certificates supplied for the purposes of ongoing entitlement to Weekly Income Compensation must adhere to the Medical Council of New Zealand's guidelines.
- 1.4 A medical practitioner can confirm whether a veteran is unable to perform their employment duties through issuing a medical certificate. A medical certificate can be any of the following:
  - written medical certificate; or
  - information included within a report from a medical practitioner.
- 1.5 To be acceptable the certificate must refer to the injury or illness in question and clearly identify the veteran's restrictions due to the injury or illness.
- 1.6 The medical certificate should be provided by the medical practitioner the veteran consulted about the injury or illness, and include any specialist reports.
- 1.7 If that medical practitioner is not available, a medical practitioner from the same practice can provide the certificate if details of the consultation can be confirmed.
- 1.8 If a public hospital treated the veteran but did not complete a certificate, it can be completed later, provided the medical practitioner completing the certificate has the hospital notes. If required, Veterans' Affairs will contact this medical practitioner to check that the hospital notes were available to them.
- 1.9 All medical certificates must be signed by the relevant provider.

#### Cost of medical assessment

1.10 Veterans' Affairs may reimburse the costs of a medical assessment to determine a veteran's ongoing entitlement.

1.11 For reimbursement, the provider should supply Green Cross with the invoice from the appointment, or the veteran can seek reimbursement from Veterans' Affairs.

## 2. Ongoing medical certificates

- 2.1 To be entitled to on-going Weekly Income Compensation, veterans must provide Veterans' Affairs with regular medical certificates certifying their incapacity for work.
- 2.2 Regular medical certificates allow Veterans' Affairs to monitor a veteran's continued need for Weekly Income Compensation and rehabilitation.

## 3. Frequency of medical certificates

- In most cases, Veterans' Affairs requires medical certificates to be submitted at least every 13 weeks for long-term recipients of Weekly Income Compensation. (See paragraph 3.2 below and section 5 for variations to this requirement).
- Where the veteran is receiving on-going treatment from a medical practitioner, more frequent certificates may be appropriate to:
  - ensure the veteran attends the medical practitioner when requested, or
  - understand whether the veteran's condition has changed in the meantime enabling them to return to work.

## 4. Acceptance of certificates

- 4.1 Certificates that result in the granting of entitlements may be accepted by email or mail.
- 4.2 All medical certificates must be signed by the relevant provider, or appropriately authorised by the provider. The patient does not need to sign a medical certificate.

## 5. Exemptions

- 5.1 It may be appropriate to require medical certificates less frequently than every 13 weeks, for example at 6-monthly or 12-monthly intervals.
- 5.2 Ongoing incapacity is instead monitored by regular contact with the Case Manager.

#### Criteria

5.3 Medical certificates can be accepted for periods exceeding 13 weeks for a maximum period of 12 months, if all the following are met:

- functional restrictions have stabilised and are likely to remain unchanged
- these restrictions mean the veteran is unable to perform any work
- eligibility to long-term entitlements is not in doubt.
- 5.4 Agreement to less frequent medical certificates must be documented in the veteran's Your Plan.
- 5.5 The veteran must agree that:
  - the Case Manager will monitor ongoing incapacity as part of scheduled, regular contact, and
  - the veteran, or their representative, must regularly complete a personal declaration, stating they are aware of their responsibility to declare to Veterans' Affairs any change in work fitness and other income while receiving Weekly Income Compensation.
- 5.6 This declaration is necessary to monitor progress and reduce the potential for fraud.

#### Where the exemption does not apply

5.7 The exemption should not apply if the veteran has a serious illness or disability but is 'non-compliant' with treatment or rehabilitation.

#### Unstable health status: Serious illness or disability

- 5.8 Where the health status of the veteran is fragile or unstable, e.g. where there are pressure sores or recurrent infections, the exemption does not apply.
- 5.9 In these cases, although the veteran's level of physical restriction is not in doubt, it is vital for their health status that there is regular medical supervision. The 13-weekly medical certificate provides this opportunity.

#### **Monitoring exemptions**

- 5.10 There will be situations where an exemption may need to be withdrawn once already approved, e.g. for reasons of non-compliance.
- 5.11 The Rehabilitation Team Leader is responsible for ensuring that discretion for agreement to less regular medical certificates is exercised appropriately.
- 5.12 The Rehabilitation Team Leader is also responsible for monitoring the use of this discretion as part of their coaching and quality assurance responsibilities.

## 6. Gaps of time between medical certificates

In some cases there may be a gap between the period covered by the elapsed medical certificate and the period covered by the new medical certificate. For example, if a veteran provides a medical certificate for an illness on 14 February covering their incapacity for 13 weeks up to 16 May. The second medical certificate covers the next 13-week period to 18 August, but as the veteran was late in getting to the doctor it does not start until 19 May. In this case there is a two-day gap.

#### Gaps between medical certificates of less than 29 days

- 6.2 When the gap between medical certificates is less than 29 days, Veterans' Affairs can continue to pay Weekly Income Compensation as long as it is satisfied that the veteran was incapacitated for that period.
- 6.3 Consider each case on its own merits. Some examples are:
  - if the veteran has a serious illness, was clearly unable to work, but could not get an appointment with his or her general practitioner, or
  - the gap occurred within the accepted duration for that type of illness, and both the veteran and the current employer have confirmed the veteran did not work.
- 6.4 In all cases:
  - contact the veteran and/or their employer (if any) to confirm he or she did not work during the gap period and note their response; and
  - note the gap period.

## 7. Retrospective and forward-dated medical certificates

7.1 The following are examples of retrospective and forward-dated medical certificates.

#### **Retrospective medical certificates**

#### Example 1

- 7.2 A veteran suffers symptoms of his or her illness on Sunday afternoon. They have Monday and Tuesday off work and are still suffering on Wednesday when he or she visits their general practitioner (GP). The GP provides a medical certificate, which is backdated to the date the symptoms started, despite not seeing the veteran until Wednesday.
- 7.3 The veteran's employer confirms that he or she was off work on Monday and Tuesday due to illness.
- 7.4 Due to the nature of the illness, it is reasonably evident that incapacity would have commenced immediately at the time. Also, the veteran's employer has confirmed their unavailability for work due to the illness. Therefore, it is reasonable to accept the backdated medical certificate from Monday.

#### Example 2

- 7.5 A veteran suffered symptoms of an illness or condition in the evening of Tuesday 1 October, went to work on Wednesday but had Thursday off work. Symptoms of illness were still giving the veteran trouble a week later and the veteran was finding it difficult to work. On Wednesday 9 October the veteran's GP certified the veteran as unfit from Tuesday 1 October to Sunday 13 October.
- 7.6 In this case, there is no basis on which to accept the backdated certificate. The veteran did not see a treatment provider until Wednesday 9 October and the GP had no supporting medical information with which to certify that the

veteran was incapacitated from Tuesday 1 October. As a result, the backdated certificate should not be accepted and the start of entitlement would be Wednesday 9 October.

#### Forward-dated medical certificates

#### Example 1

- 7.7 A veteran is unfit for work with a medical certificate confirming incapacity for the period 17 July to 17 September. On 13 September the veteran approaches his GP to obtain a new medical certificate for ongoing incapacity. The GP completes a new medical certificate on 13 September, indicating that the veteran will remain incapacitated for a further three months from 18 September.
- 7.8 It is clear from the medical information on file that the veteran will not be fit to return to work within three months of 18 September. The gap between the date of the certificate and the start date of incapacity is five days, and it is clear the certificate has been provided early simply to ensure continuity of Weekly Income Compensation payments. The certificate is accepted as verifying a three-month incapacity period from 18 September.

#### Example 2

- 7.9 A veteran is scheduled to undergo surgery on 23 August. On 19 August, the veteran obtains a medical certificate from their GP stating they will be incapacitated from work for five days following the surgery on 23 August.
- 7.10 Veterans' Affairs arranged the surgery scheduled for 23 August. After checking with an appropriately qualified medical professional, Veterans' Affairs determines the certificate is acceptable as, for the particular surgery to be undertaken, it is reasonable to expect the veteran to be off work for at least five days.

#### Example 3

- 7.11 A veteran is scheduled for surgery on 29 January. On 26 January, the veteran's GP completes a medical certificate stating incapacity for four weeks following the surgery on 29 January.
- 7.12 Veterans' Affairs consults with an appropriately qualified medical professional and decides not to accept the certificate as evidence of incapacity following the surgery. It cannot be determined simply from the type of surgery, and without examination of the veteran following the surgery, whether they will require this period of time off work. The veteran is instructed to obtain a new certificate of incapacity from their operating surgeon after the surgery, when their condition and likely period of incapacity can be assessed.

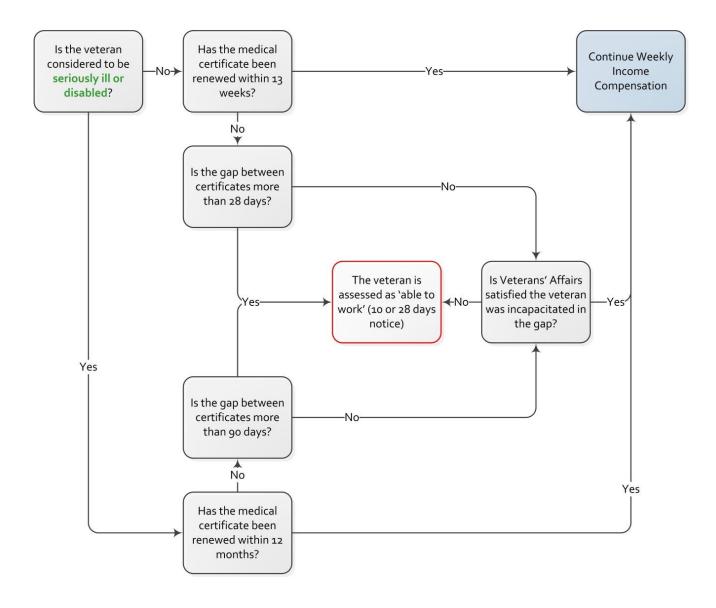
#### 8. Overseas medical certificates

- 8.1 If a medical certificate is received from an overseas provider, Veterans' Affairs may consider:
  - the nature of the veteran's illness or disability; and

 the medical accreditation system in the veteran's country of residence to determine if a further certificate from a provider on the list of Panel Physicians approved by Immigration New Zealand is required.

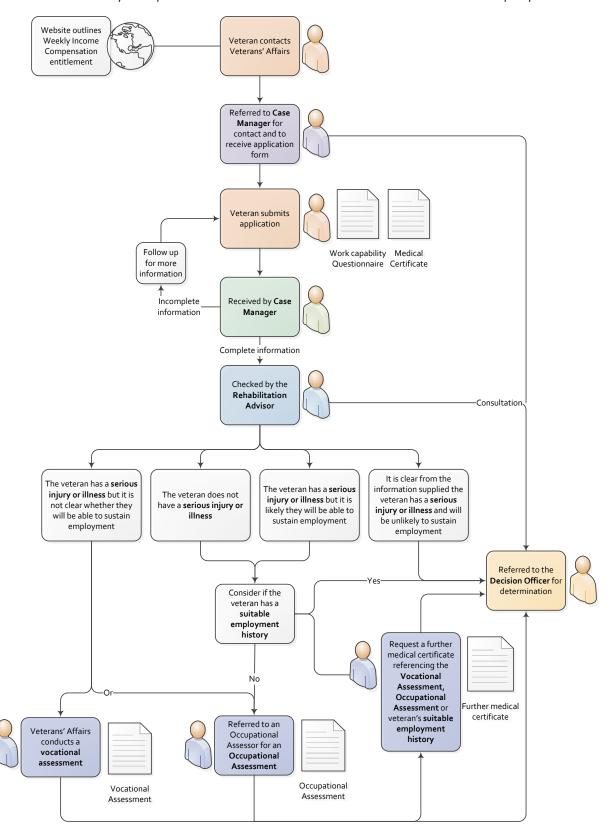
## Medical certificate requirements flowchart

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.



## Appendix 2: Flowchart for gathering entitlement information

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.



# Appendix 3: Administration of non-compliance, suspension and cancellation

## 1. Written notice of intention to cease payment for noncompliance

- 1.1 Veterans' Affairs may cease payment if:
  - it has given the recipient written notice of its intention to cease payment because they failed to comply with the requirement; and
  - the recipient has not, within 28 days:
    - complied with the requirement; or
    - established reasonable grounds for not complying with the requirement.

Section 27(5) of the Veterans' Support Act 2014

- 1.2 The Manager Veterans' Services determines decisions to cease Weekly Income Compensation because a veteran has not complied with a reasonable request from Veterans' Affairs.
- 1.3 Veterans' Affairs cannot decline entitlements retrospectively, and can only decline to pay future payments and cannot recover payments that it has already made.

#### Reasonable grounds

- 1.4 Reasonable grounds for non-compliance include but are not limited to:
  - veteran is temporarily medically unfit to comply and has a medical certificate verifying this; or
  - veteran has been affected by unforeseen circumstances or circumstances beyond his or her control that Veterans' Affairs accepts as reasonable grounds for non-compliance.

#### 90 day suspension

- 1.5 After ceasing payments Veterans' Affairs will suspend payment for 90 days.
- 1.6 In the 90 day period Veterans' Affairs may resume payment from the date the veteran complies and/or attends a missed appointment. Veterans' Affairs is not normally liable to make any payment to which the veteran would otherwise have been entitled for the period between the:
  - date from which their payments were first withheld; and
  - date payments resume, i.e. the date the veteran begins to comply.
- 1.7 A veteran forfeits payments for the period in which they fail to comply.

#### **Entitlement payments**

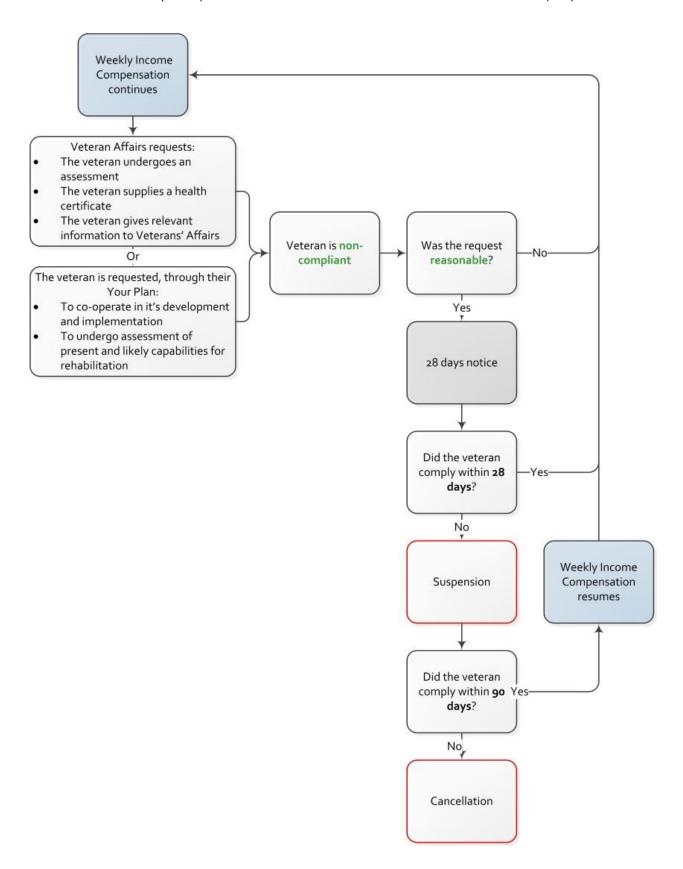
- 1.8 Veterans' Affairs is not required to pay a veteran's entitlement over the period in which the veteran failed to comply. However, Veterans' Affairs can if it believes that both:
  - exceptional circumstances exist; and
  - it would be unfair to refuse to backdate.
- 1.9 Factors include, but are not limited to:
  - veteran is temporarily medically unable to comply and has a medical certificate verifying this; or
  - veteran has been affected by unforeseen circumstances or circumstances beyond his or her control that have caused significant financial hardship or emotional distress; or
  - impact for the veteran or their family of not having the entitlement backdated is out of all reasonable proportion to the reason why the veteran refused to comply; or
  - veteran's rehabilitation has not been affected or delayed by the period of non-compliance.

#### Cancellation after 90 days

1.10 If a veteran has not complied within 90 days their Weekly Income Compensation entitlement is cancelled.

## Non-compliance flowchart

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.



## **Glossary**

#### abatement

The term used for the process of deducting part-time earnings from Weekly Income Compensation under the Veterans' Support Act 2014.

#### average wage [section 61]

Means the before tax average ordinary time weekly wage (all sector, male and female combined) as at 1 April each year as specified in—

- (a) the latest Quarterly Employment Survey published by Statistics New Zealand; or
- (b) if the survey referred to in paragraph (a) ceases to be published, a survey certified by the Government Statistician as an equivalent survey to the survey referred to in that paragraph.

#### days

Unless specified otherwise, means calendar days

#### Established self-employed or shareholder employee

Means veterans who have been self-employed or a shareholder for longer than the relevant year before the start of their incapacity.

#### full-time [section 7]

in relation to employment and work, means employment for either -

- (a) an average of at least 30 hours per week; or
- (b) a lesser number of hours, if the lesser number of hours is defined as full-time employment in the employment agreement under which the veteran was employed, because of the particular nature of employment.

#### health practitioner [section 7]

Has the same meaning as in section 5(1) of the Health Practitioners Competence Assurance Act 2003.

#### impairment [section 7]

Means a loss or abnormality of psychological, physiological, or anatomical function or structure.

#### incapacity [ACC glossary]

The inability to work in employment, or the absence from a workplace for healthcare, because of a covered injury or illness.

#### medical practitioner [section 7]

Means a health practitioner who is, or is deemed to be, registered with the Medical Council of New Zealand continued by section 114(1)(a) of the Health Practitioners Competence Assurance Act 2003 as a practitioner of the profession of medicine.

#### member of the armed forces [section 7]

Means a person who is or has been a member of the New Zealand armed force raised by the Governor-General on behalf of the Sovereign,—

- (a) whether in New Zealand or elsewhere; and
- (b) whether before or after the passing of this Act.

#### new self-employed or shareholder earner

Means a veteran who became self-employed or a shareholder employee in the same **tax year** as the start of their incapacity.

#### New Zealand Superannuation qualification age [section 7]

Means the age at which a person becomes entitled to receive New Zealand Superannuation under the New Zealand Superannuation and Retirement Income Act 2001.

#### next previous year

Means the income year prior to the most recently completed income year.

#### non-permanent employee

Means work where the veteran is:

- (a) A seasonal or casual employee
- (b) An employee on unpaid parental or extended unpaid leave in the next 12 months
- (c) An employee with a long-term employment contract but with lengthy scheduled breaks with no wages payable
- (d) An employee who would not continue to receive earnings from that employment for a continuous period of 12 months.

#### part-time work

Part-time work means work that averages not more than 30 hours a week when calculated

over a period of the preceding 3 months—

- (a) under a contract of service, whether on time or piece rates; or
- (b) as a self-employed person in any business, profession, trade, manufacture, or undertaking.

#### prison [section 29]

Means-

- (a) a prison within the meaning of section 3(1) of the Corrections Act 2004; or [which under that Act reads as follows:
  - (a) means a prison established or deemed to be established under section 32; and
  - (b) to avoid doubt, includes any land or building declared to be a prison.] Note these relate to Corrections prisons and Police jails.
- (b) a service prison within the meaning of section 2(1) of the Armed Forces Discipline Act 1971; or [which under that Act reads as follows:

Means a building or part of a building set aside under this Act as a service prison.

(c) an overseas prison.

#### prisoner [section 29(3)]

Means,-

(a) for a prison referred to in **paragraph (a)** of the definition of prison, a prisoner within the meaning of section (3)(1) of the Corrections Act 2004; or *[prisoner under that Act reads as follows:* 

Means any person for the time being in the legal custody under this Act of the following persons:

- (a) the chief executive:
- (b) the Commissioner of Police.
- (b) for a prison referred to in **paragraph (b)** of that definition, a service prisoner within the meaning of section 2(1) of the Armed Forces Discipline Act 1971; or [service prisoner under that Act reads as follows:

  Means a person under a sentence that includes imprisonment imposed under this Act by the Court Martial].
- (c) for a prison referred to **in paragraph** (c) of that definition, a person for the time being in legal custody in that prison.

#### qualifying service [section 8]

Means-

- (a) qualifying operational service; or
- (b) qualifying routine service.

#### qualifying operational service [section 8]

Means-

- (a) service on any deployment treated as a war or emergency for the purposes of the War Pensions Act 1954; or
- (b) service on any deployment declared to be operational service under section 9.

#### qualifying routine service [section 8]

Means service in the armed forces before 1 April 1974 that is not qualifying operational service.

#### service-related [section 7]

In relation to an injury, an illness, a condition, or a whole-person impairment, means an injury, an illness, or a whole-person impairment caused by, contributed to by, or aggravated by qualifying service.

#### service-related death [section 7]

In relation to Part 3 (Scheme One), means death attributable to qualifying service.

#### social security enactment [regulation 23(3)]

Means-

- (a) Schedule 2 of the Residential Care and Disability Support Services Act 2018:
- (b) the Social Security (Long-term Residential Care) Regulations 2005 (or any other regulations made or treated as made under section 74 of the Residential Care and Disability Support Services Act 2018):
- (c) the Social Security (Income and Cash Assets Exemptions) Regulations 2011 (or any other regulations made or treated as made—
  - (i) under section 422 for the purposes of clause 9 of Schedule 3 of the Social Security Act 2018; or
  - (ii) under section 423 for the purposes of subpart 10 of Part 2 and Part 7 of Schedule 4 of the Social Security Act 2018:

(d) the Social Security (Temporary Additional Support) Regulations 2005 (or any other regulations made or treated as made under section 428 of the Social Security Act 2018).

#### tax year

Means a period starting on 1 April and ending on 31 March.

#### unable to work [section 59]

Means unable to work as a consequence of injury or illness from whatever cause.

#### veteran [section 7]

Means-

- (a) a member of the armed forces who took part in qualifying operational service at the direction of the New Zealand Government; or
- (aa) a member of the armed forces who took part in qualifying routine service before 1 April 1974; or
- (b) a person:
  - (i) who has been:
    - (A) appointed as an employee of the Defence Force under section 61A of the Defence Act 1990; or
    - (B) seconded to the Defence Force with the permission of the Chief of Defence Force; and
  - (ii) who took part in qualifying operational service at the direction of the New Zealand Government; or
- (c) a person who, immediately before the commencement of Part 3 of this Act, is eligible for a pension under the following provisions of the War Pensions Act 1954:
  - (i) section 19 (but only if the person was a member of the forces):
  - (ii) section 55 or 56:
  - (iii) Parts 4 and 5.

#### working day [section 7]

Means a day of the week other than:

- (a) a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, and Labour Day; and
- (b) if Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday; and
- (c) a day in the period commencing on 25 December in any year and ending with 15 January in the following year.