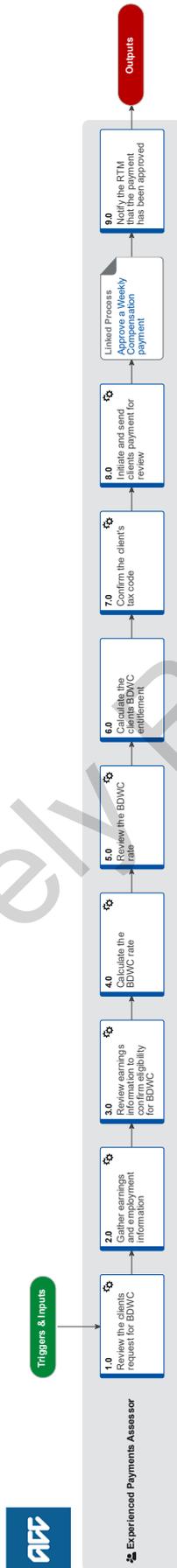




Proactively Released





Summary

Objective

Set up a payment of weekly compensation for a period that is backdated greater than or equal to 90 days.

Background

We pay backdated weekly compensation (BDWC) to clients who are eligible for weekly compensation for periods in the past.

We will consider backdating weekly compensation for various reasons, such as a:

- late claim
- revoked decision
- an overturned vocational independence decision,
- overturned suspension, a settlement
- decision quashed at review or in court.

Owner

[Name withheld]

Expert

Procedure

1.0 Review the clients request for BDWC

Experienced Payments Assessor

- a** In EOS, confirm the right information is on the claim to set up backdated weekly compensation using the checklist.

Checklist for setting up Backdated Weekly Compensation

NOTE What if you are missing information or the information is incorrect?

If there is missing information or the information is incorrect, call the Recovery Team Member to collect the right information.

If the ACC6217 is not signed off or incomplete, push back the Set Up Weekly Compensation - BDWC task.

- b** Check the ACC6217 or the approved incapacity tab to determine what period(s) the backdated weekly compensation request applies to.

NOTE What if the incapacity applies to a period of entitlement starting before 1 July 2010 or is a reassessment of a period previously paid outside of EOS?

EOS doesn't have capability to calculate payments before 2010. Go to Recalculate Weekly Compensation Claims paid from Pathway to complete the process. Once completed return to this process at 2.0b

PROCESS Recalculate Weekly Compensation Claims paid from Pathway

2.0 Gather earnings and employment information

Experienced Payments Assessor

- a** In EOS, gather earnings and employment information.

Gather Information for Weekly Compensation

- b** Retrieve Real Time Earnings (RTE) and employment information from IR via the RTE Web Service. If the request is for:

- New set up: run a pre and post incapacity RTE
- Reinstatement or a transfer from another claim: check original calculation is correct, and run post incapacity RTW

Retrieve earnings from IR

- c** Add the correct employer from the RTE as a participant on the claim. If there is a subsidiary employer account add this rather than the prime employer.

Add an employer participant

3.0 Review earnings information to confirm eligibility for BDWC

Experienced Payments Assessor

- a** In EOS, review the RTE to check that the right information is on file to calculate the BDWC rate.

Checklist to review earning information gathered from the RTE web service

NOTE If the RTE returns both monthly and pay day filing, use the RTE tool to apportion the monthly earnings.

Real time earnings calculation (RTE) tool

- b If the earnings have variances or you are missing information, contact the RTM to query the variances and to get the right information.
- c Assess eligibility for backdated weekly compensation.

 Backdated weekly compensation eligibility

NOTE **When can an employee have their employment status extended?**

An employee can have their employment status extended if, at DOFI/DOSI, they had recently ceased employment, and they fit one of the scenarios detailed in the Extension of Employment Status policy.

If the client meets the criteria for extension of employment status, the client's weekly compensation entitlement will be based on the non-permanent calculation.

 Extension of employment status Policy

NOTE **What if the client is not eligible for weekly compensation?**

1. Contact and discuss this with the task creator or the Recovery Team Member managing the claim so that they can action the next steps.
 2. Create a contact on the claim.
 3. Add a note to the task with the outcome of the review.
 4. Close the task.
- This process ends.

4.0 Calculate the BDWC rate

Experienced Payments Assessor

- a Calculate the clients earnings.

NOTE **What if the client is PAYE?**

Go and complete activity 4.0 - 5.0 in the Set Up Weekly Compensation - PAYE process. Once complete, return to task 4.0b.

 **PROCESS** Set Up Weekly Compensation - clients on PAYE

NOTE **What if the client is self-employed or non-PAYE?**

Go and complete activity 4.0 - 5.0 in the Set Up Weekly Compensation - Self-Employed And Non-PAYE process. Once complete, return to task 4.0b.

 **PROCESS** Set Up Weekly Compensation - Self-Employed and Non-PAYE Shareholder

NOTE **What if the process is LOPE?**

Go and complete activity 3.0 - 4.0d in the Set Up Weekly Compensation - Loss of Potential Earnings (LOPE) process. Once complete, return to task 4.0b.

 **PROCESS** Set Up Weekly Compensation - Loss Of Potential Earnings (LOPE)

NOTE **What if the calculation is going to take more than five weeks to complete?**

Advise the task requestor of the estimated timeframe to complete the calculation. This allows the RTM to provide the right supports for the client in the interim.

NOTE **What if you receive the message 'Please check if payment requires alternative tax rate from Inland Revenue?'**

Eos has identified that Weekly Compensation relates to a period of more than one income year on this claim. To action this:

1. Get an alternate tax rate for the payment from Inland Revenue. Use the 'Manually trigger Customer Alternate Tax Rate from IR' system steps.
2. Apply the alternate tax code once the tax rate is confirmed.
3. Once the payment is made after two days, update the client's tax code back to their current tax rate. This will allow the client to continue to be correctly taxed for ongoing payments.

 Manually Trigger and Apply Customer Alternate Tax rate

- b Check if abatement, or any deductions need to be applied to the weekly compensation.

NOTE **What if abatement needs to be applied?**

1. Go and complete activity 2.0 in the Abate Weekly Compensation - MyACC and Complex request process.
2. Return to task 6.0e to complete this process.

 **PROCESS** Abate Weekly Compensation - MyACC and Complex requests :: Current State

NOTE **What if there is an Authority for Deductions document and a Third-party Deduction needs to be applied?**

Go and complete activity 1.0 - 2.0 in the Manage Client Third Party Deductions process. Returning to 4.0c to complete this process.

 **PROCESS** Manage Client Third Party Deductions

- c Check the system-derived NZSQA date is correct. Modify the date as appropriate.

 Weekly Compensation and New Zealand Superannuation (pre-1 July 2019) policy

NOTE What if you are calculating a further injury period where the eligibility for BDWC is still in the first week of the further injury claim?

Adjust the end date of eligibility (NZSQA) from the date the client first became eligible on the further injury claim.

NOTE What if the client was not paid any weekly compensation on the date they first became eligible for it (DOFE)?

Adjust the end date of eligibility (NZSQA) from the subsequent date they became unable to work.

d Check if there is an overpayment against any claim.

NOTE What if the new calculation results in an overpayment?

1. Go and complete the Assess the client overpayment process.
2. Once you have written off/ recovered the overpayment, return to 4.0e to complete this process.

PROCESS Assess Client Overpayment

NOTE What if the client has active collectable debt?

1. Contact Collections and Recoveries to confirm the outstanding debt amount.
2. Go and complete the Recover Client Overpayment process.
3. Return to 4.0e to complete this process.

PROCESS Recover Client Overpayment

e Check the BDWC rate is correct.

Checklist for setting up Backdated Weekly Compensation

f Amend the backdated WC task to include the following template.

NOTE what do you need to include in your task?

Include the following information in your task

* [Initials] -
BDWC - [Task Type]
Payable period:
WC Gross:
ACC6217 signed off:
Bank Account Verified:
Advocate:
DOFI:
DOSI:
Initial Setup Checked:
Abatement:
MSD Reimbursement: to be confirmed
MSD Reimbursement Handover Date: to be confirmed
Active Collectable Debt/Deductions:
Work Pattern:
Hours:
Payday:
Pay period end day:
Docs Attached:
Notes:

g Send the backdated WC task to the Weekly Compensation Approval Complex queue to confirm the calculation of the backdated rate is correct.

5.0 Review the BDWC rate

Experienced Payments Assessor

a In Eos, review the approval request to ensure the:

- client is eligible for BDWC
- calculation is accurate.

b If the BDWC calculation is incorrect, return the task back to the Payments Assessor to correct the calculation.

c If the backdated amount is:

- under 100k, go to task 5.0f.
- over 100k, complete a BDWC Approval Memorandum.

Backdated Weekly Compensation BDWC Approval Memo

d Email the incomplete BDWC Approval Memorandum to the relevant delegation holder requesting they:

- review the approval
- sign as per their recommendation
- return to you for approval completion.

Delegations Framework

e Upload the completed BDWC Approval Memorandum to the claim.

f Amend the Set Up Weekly Compensation - BDWC task to say 'approved' and attach the BDWC Approval Memorandum to the task.

g Return the Set Up Weekly Compensation - BDWC task to the relevant Payments Assessor.

6.0 Calculate the clients BDWC entitlement

Experienced Payments Assessor

- a** Review the Set Up Weekly Compensation - BDWC task and if required, check the BDWC Approval Memorandum.

NOTE If the advice is to decline the BDWC request, return the request to the RTM or the Recovery Team. This process ends.

- b** If the BDWC rate is incorrect, make the necessary changes and return for approval on medium priority.

- c** Check if MSD reimbursements needs to be made.

NOTE What if MSD reimbursement is required?

1. Go and complete activity 2.0 - 5.0 of the Reimburse Ministry of Social Development process,
2. Return to activity 7.0 to continue with this process.

 **PROCESS** Reimburse Ministry of Social Development

7.0 Confirm the client's tax code

Experienced Payments Assessor

- a** If the payment meets the following requirements go to task 7.0c.

- greater than \$5,000 before MSD deductions,
- related to previous tax years,
- an underpayment of a payment belonging to the current tax year.

NOTE What if the client is making student loan payments through their weekly compensation?

For clients who have a student loan attached to their normal tax code (e.g. MSL), contact the client to verify if they want to pay their student loan from their backdated payment and determine the deduction percentage.

- b** Use the client's elected tax code and go to activity 8.0 to initiate the payment for approval and send for review.

- c** Upload the WC21, WCOIS10 and ACC255 to the claim. If an alternate tax rate was required, upload the WC45.

-  Upload an Incomplete Electronic Document
-  WCOIS10 All about backdated weekly compensation payments
-  WC21 Backdated weekly compensation decision
-  WC45 Backdated weekly compensation decisions with alternate tax rate
-  ACC255 Kōrero mai - Working together

- d** Send the WC21, WCOIS10, ACC255 to the client via email and if required the WC45.

-  Send an email with an Eos document system steps

- e** Put your task on hold for 10 days to allow the client to confirm the tax code.

- f** If the client doesn't confirm a tax code within 10 days, use the client's elected tax code already set in EOS.

- g** Review the tax code details from the client and edit if needed.

-  Edit a tax code record

NOTE What if the client elects a tax code or elects the highest tax rate?

1. Use the STC tax code option if the highest rate is elected.
2. Consider 'holding' ongoing entitlement so it is not affected by the tax option for the BDWC payment.
3. Ensure you go back to add the client's normal tax code back in, two day's after the BDWC payment has been released.

NOTE What if the client has a special tax certificate (STC) from IR?

1. Ensure the STC tax certificate is addressed to ACC and apply the rate as directed.
2. Consider 'holding' ongoing entitlement so it is not affected by the tax option for the BDWC payment.
3. Ensure you go back to add the client's normal tax code back in, two day's after the BDWC payment has been released.

NOTE If you need to apply a special deduction rate for student loans, apply the alternative tax rate.

-  Manually Trigger and Apply Customer Alternate Tax rate
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8.0 Initiate and send clients payment for review

Experienced Payments Assessor

- a** If contacts and documents are not labelled, update them.

- b** In EOS, update the payment period's status to 'Approved', so that a payment schedule of due events can be created

-  Edit a payment period

- c** Initiate the payment for approval.

 Initiate payments for approval

NOTE What if the payment schedule is for a calculation for more than two years?

You will receive an automatic task from EOS:

1. alerting you that EOS will do the calculation offline as it will take longer
2. once that the calculation is complete.

d Update the Set Up Weekly Compensation - BDWC task with the approval template. Put the task on high priority.
[Initials] - Final release
[Task Type]

Gross:

Period:

Tax option:

Bank account verified:

Payment to go to:

MSD > 20k Delegation:

e Send the Set Up Weekly Compensation - BDWC to the Weekly Compensation Approval Complex queue.

 **PROCESS** **Approve Weekly Compensation Entitlement :: Current State**
Experienced Payments Assessor

9.0 Notify the RTM that the payment has been approved

Experienced Payments Assessor

- a** Receive the Set Up Weekly Compensation - BDWC task.
 - b** Contact the RTM that the payment has been approved and released.
 - c** Close the Set Up Weekly Compensation - BDWC task.
 - d** Create an NZCA141-Investigation interest task.
 Add a task in Eos
 - e** Send the NZCA141-Investigation interest task to the Recovery team member/ team.
-

Timeframes

Activity	Incl.	Active Time	Wait Time
 Approve Weekly Compensation Entitlement	×	-	-