

Summary

Objective

To set up and pay weekly compensation for dependants of the deceased

Background

The set up procedure can either be simple or complex and depends on the characteristics of the claim. The complexity of the set up is determined by staff in the Accidental Death Unit.

Owner [Name withheld]

Expert

Procedure

1.0 Review set up request

Experienced Payments Assessor

- a** Receive the Set Up Weekly Compensation - Fatal task and confirm that all the information is available to calculate the entitlement on the claim.

NOTE What information is required to begin the set up

For the deceased:

- Date of Death
- IRD number
- Employer name or if self employed or Shareholder (ACC748 Fatales questionnaire for self employed or shareholder employee)
- Work Pattern
- Average hours worked per week in the 4 weeks immediately prior to death
- Payroll/ or Accountant details
- Employment status (permanent or non permanent)

For each dependant:

- Bank Account
- IRD number
- Tax Code

Also attach to the task:

- The ACC748 (Fatales questionnaire for self employed or shareholder employee) if it has been completed by a family member.
- ACC21 (Advice of an accidental death) The death certificate and/or coroners report.

 ACC748 Fatales questionnaire for self employed or shareholder employee

 Eligibility criteria for weekly compensation for an accidental death client

- b** Determine the deceased's earner type to identify what earnings information is required.

NOTE What if the deceased was self-employed or a non-PAYE shareholder at date of death?

Then go to activity 2.0 Collect earnings information for self-employed and non-PAYE shareholder

NOTE What if the deceased was a PAYE employee or PAYE shareholder at date of death?

Then go to activity 2.1 Collect earnings information for PAYE employee or PAYE shareholder

NOTE What if the client is receiving fatal weekly compensation and weekly compensation at the same time?

A client can receive weekly compensation and fatal entitlement at the same time and is not liable for abatement for the clients weekly compensation payments unless the client is receiving LOPE payments.

2.0 Collect earnings information for self-employed and non-PAYE shareholder

Experienced Payments Assessor


- a** Check Juno to confirm whether the deceased had a CoverPlus Extra (CPX) policy.

NOTE What if the client had a CPX policy at the date of death?

Confirm the amount of cover in Juno. Then load the amount in Eos.

You do not need to collect any self-employed or non-PAYE shareholder earnings. Go to activity 3.0

- b** Gather the deceased's earnings information from Inland Revenue (IR).

 Retrieve earnings from IR

- c** Check if the ACC748 Fatales questionnaire for self employed or shareholder employee has been completed by the estate/family representative.

NOTE What if the ACC748 Fatals questionnaire for self employed or shareholder employee has not been completed by the estate/family representative?

If there is an accountant, then send the ACC748 form to the accountant to fill out and return. If there is no accountant, return the task to the Cover Assessor to send the ACC748 Fatals questionnaire for self employed or shareholder employee before continuing with the process.


NOTE What if no earnings are available through IR or other sources?


Return the task to the Cover Assessor to contact the estate/family representative to determine why the earnings are not available and determine next steps.

NOTE What if the deceased's tax return was lodged after the date of death?

If you think the deceased's earnings may have been unreasonably influenced, consider referring to the Technical Accounting Specialists for advice.

Go to the Referring to the Technical Accounting Specialist Service for Advice procedure.


 **PROCESS** Referring to the Technical Accounting Specialists for Advice

 Tax return lodged post incapacity Policy

2.1 Collect earnings information for PAYE employee or PAYE shareholder


Experienced Payments Assessor

a Gather earnings information from Inland Revenue (IR).

 Retrieve earnings from IR

NOTE What if I need more information that isn't available via IR RTE?

Send an ACC003a to the employer(s) to collect more earnings information. Once you receive the completed ACC003a back, continue with this process.

 ACC003A Employee earnings certificate for deceased employee

3.0 Review earnings information and add collection period

Experienced Payments Assessor


a Check that you have collected earnings information for each employment type.

b Review earnings information to assess eligibility for a weekly compensation entitlement.

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

Then return the Set Up task to the Accidental Death Unit who will then contact the dependant(s) to discuss the issue and send a ACD999 Decline Entitlement decision letter and ACC255 Working Together factsheet.

 ACD999 ADU entitlement decline decision - party

 ACC255 Kōrero mai - Working together

c In Eos, add a collection period with a type of 'Date of First incapacity' and enter the date of death in the effective date field.

 Add a collection period from DOFI/DOSI

d Determine the deceased's earner type to identify what set up is required.

NOTE What if the deceased was self employed or a non-PAYE shareholder at date of death?

Go to activity 4.0 Set up weekly compensation for self-employed and non-PAYE shareholder

NOTE What if the deceased was a PAYE employee or PAYE shareholder at date of death?

Go to activity 4.1 Set up weekly compensation for PAYE employee or PAYE shareholder

4.0 Set up weekly compensation for self-employed and non-PAYE shareholder

Experienced Payments Assessor

a Add self-employed or non-PAYE shareholder earnings information in Eos.

 Add collection point information for a self employed or non PAYE shareholder employee

NOTE What if the deceased earned less than the minimum full time earner rate?

For newly self-employed clients

These clients are eligible for an increase to the full-time minimum earner rate if they have worked an average of 30 or more hours per week before DOFI/DOSI, for the duration of their self-employment AND they would have continued to do so, if not for the incapacity.

Note: The long term rate will show as \$0, however the client will still be paid on the full time minimum rate.

For recent & established self-employed clients

These clients are eligible for an increase to the full-time minimum earner rate if they have maintained an average of 30 or more hours work per week, during the most recently completed tax year. If they were not liable to pay the full-time earner levy for the most recently completed tax year, but are prior to DOFI/DOSI, they would need to provide evidence to support an increase to the full-time minimum (including maintaining an average of 30 or more hours per week during the current tax year to date and confirmation that this would have been maintained for the remainder of the tax year, if not for the incapacity).


For Non-PAYE shareholder clients


These clients are entitled to an increase to the full-time minimum if they were engaged in full-time employment.

NOTE What if the deceased received earnings during a period that they were also receiving weekly compensation?

For self-employed and non-PAYE shareholder clients who have current AND/OR previous employee earnings in the 52 week period prior to DOFI/DOSI: Calculate employee earnings and earnings received during the PWC period and load as separate employments. Eos will assess the greater of all possible scenarios and pay the dependant the highest rate.

For self-employed and Non-PAYE shareholder clients who do not have any current or previous employee earnings in the 52 week period prior to DOFI/DOSI: Include earnings received during the previous weekly compensation period and add as a separate employment record (ACC claimants' compensation).

 Calculate weekly compensation Policy


 Consider an interim, estimate or advance of weekly compensation Policy


4.1 Set up weekly compensation for PAYE employee or PAYE shareholder

Experienced Payments Assessor

a Add PAYE employee or PAYE shareholder earnings information in Eos.

 Add collection point information for a PAYE shareholder

 Add collection point information for a non-permanent employee or Non-PAYE shareholder

 Unpaid leave Policy

NOTE What if the deceased earned less than the minimum full time earner rate?


The deceased is eligible for the minimum full time earner rate if they earn less than the minimum rate and work full time (30+ hours per week)


Confirm the deceased worked 120 hours or more over the short term and they would have continued to work 30 or more hour per week over the long term. Confirm in Eos they are eligible for the full time minimum earner rate.

If the deceased was a permanent or non-permanent employee, Eos will automatically calculate the full -time earner rate.

NOTE What if the deceased was a permanent employee or shareholder employee and took unpaid leave?


Determine the period of unpaid leave and add the period to the collection point.

 Unpaid leave Policy

 Edit collection point information for a permanent employee or PAYE Shareholder


NOTE What if the deceased was a non-permanent employee and took unpaid sick leave?

Periods over 7 days of continuous unpaid sick leave should be excluded from the calculation.

 Weekly earnings calculations for non-permanent employee Policy

NOTE What if the deceased permanent/non-permanent employee and had previous weekly compensation (ACC earnings) within 52 weeks prior to the DOFI date?

Review ACC earnings exclusion period which is automatically created in Eos. Check the previous weekly compensation claim for the entitlement period(s) which need to be excluded and manually adjust the dates. Eos will automatically calculate the correct weekly compensation entitlement for the dependants.

 Information required for permanent & non-permanent employee weekly earnings calculation

5.0 Complete weekly compensation set-up

Experienced Payments Assessor

a Check that you have added earnings information for each employment type.

b In Eos, click the Create Eos Entitlements button in the accidental death tab. This will calculate and apportion the weekly compensation for each dependant.

 Create Eos Entitlements

- c** Check if any deductions need to be applied to any of the dependant fatal weekly compensation subcases.


NOTE What if a third party deduction needs to be applied?

Go to the Manage Client Third Party Deductions process before returning to Task b.

 **PROCESS** Manage Client Third Party Deductions

NOTE What if MSD benefits are indicated on the ACC21 for each dependant?


Go to the Reimburse Ministry of Social Development (MSD) procedure before proceeding with any payment.

 **PROCESS** Reimburse Ministry of Social Development

NOTE What if it has been 90 days since the date of death?

- Verified bank account required for each dependant
- A WC21 may be sent for each dependent
- Create and transfer a 'NZCA141 - Investigation' task to the managing site as the client may be eligible for interest on the late payment of weekly compensation.
- Complete the Reimburse Ministry of Social Development procedure for any dependant over 18 years old insuring ACC2300 & S6 details are for the spouse or the dependant not the deceased
- ACC2300 procedure linked below, before returning to Activity 6.0 Review client payment


 **PROCESS** Reimburse Ministry of Social Development

 Interest on backdated weekly compensation policy

NOTE What if there is more than one caregiver that requires childcare payments?

If there are multiple caregivers for a child, you can set any additional caregivers up as deduction on the entitlement. When you create the deduction, enter the percentage of time each additional caregiver will be caring for the child. The childcare payment will be split based on this percentage.

Go to Add multiple caregiver payees

 Add multiple caregiver payees

6.0 Review client payment

Experienced Payments Assessor

- a** In Eos, review the calculation for each dependant for completeness and accuracy.
- b** Update the payment periods' status from Pending to Approved so that a payment schedule of due events can be created for each dependant's weekly compensation entitlement.

 Edit a payment period

NOTE What if the accumulated payment schedule of due events exceeds 50 weeks?

You will receive a validation message alerting you that the system will perform the calculation off-line as it will take longer than usual. You're able to carry out other work while this calculation is performed and the system will send you a task when it is complete. Once complete you need to return to the claim and carry out any further activities required

- c** Send the payments for approval.

 Initiate payments for approval

- d** Send the payment for approval using the task type 'Approve Fatal Entitlements' task. The task will be automatically routed to the appropriate queue.

 **PROCESS** **Approve Weekly Compensation Entitlement**
Experienced Payments Assessor
