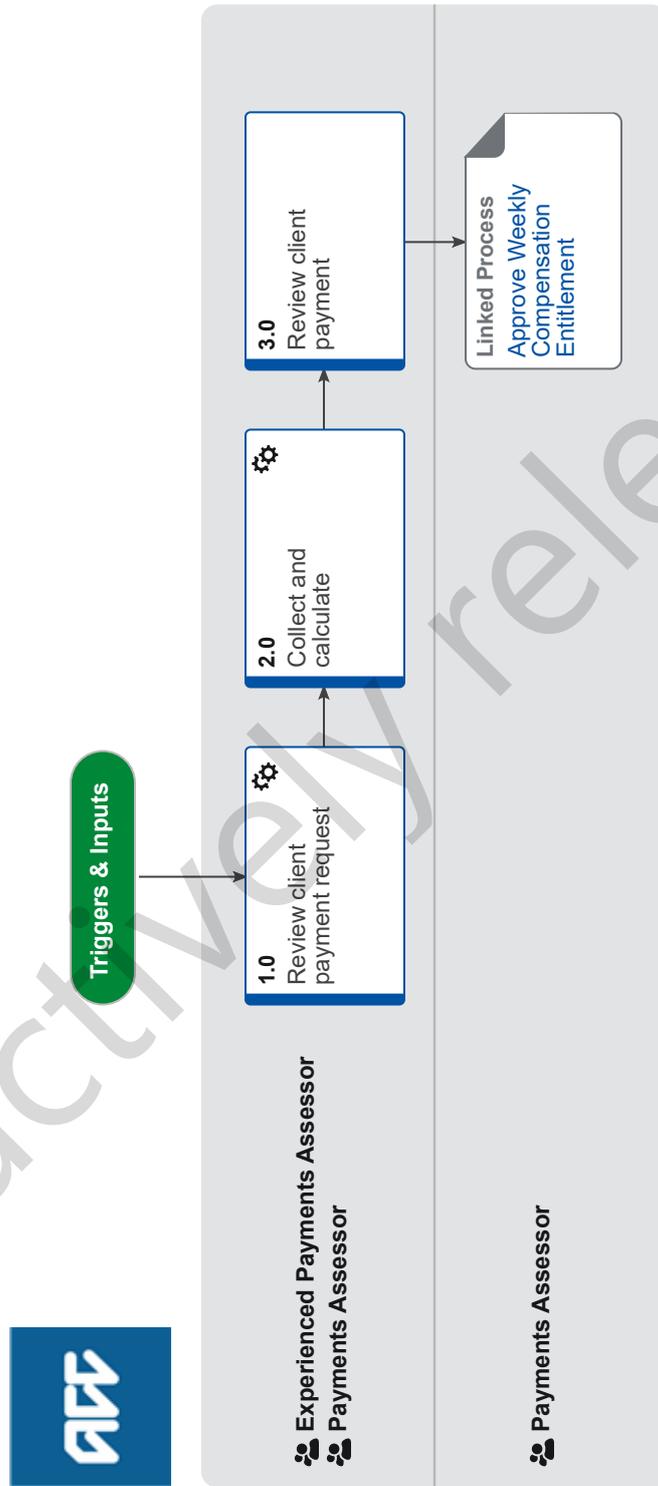


# Set Up Weekly Compensation - Accredited Employer Transfer

v12.0



# Set Up Weekly Compensation - Accredited Employer Transfer

v12.0



## Summary

### Objective

To set up weekly compensation for a previously Accredited Employer (AE) managed claim which has been transferred to or is nearing transfer to ACC with ongoing incapacity on file.

### Background

Claims are transferred or 'handed back' to ACC in three situations:

- if the Accredited Employer has managed the claim to the end of their nominated claims management period, which will be for either 12, 24, 36 or 48 months. The claim is transferred on, or by, 31 March.
- if the Accredited Employer Programme Accreditation Agreement has been terminated before the end of claims management period, e.g. the Accredited Employer has elected to leave the ACC Partnership Programme. The claim is transferred on a negotiated date.
- if ACC assumes management of a particular claim. ACC may elect to do this due to the serious nature or particular circumstances of a given work injury claim. The claim is transferred on a negotiated date.

Alternatively, a client may be incapacitated on a new claim, not under the Accredited Employer agreement and Entitlement may have to be transferred from the AE claim, to that claim.

**Owner** [Name withheld]

**Expert**

## Procedure

### 1.0 Review client payment request

Experienced Payments Assessor, Payments Assessor

- a** In Eos, receive the Setup Weekly Compensation task and review the Accredited Employer weekly compensation transfer request. Ensure all necessary information has been provided to calculate the entitlement.

#### **NOTE** What information should be provided?

- ACC413 Accredited Employer Claim Transfer Summary form (unless the entitlement is being transferred to a new claim not under the Accredited Employer agreement)
- either a completed weekly compensation script, non-standard weekly compensation script, or the required information provided in a task.
- pre-incapacity earnings documentation is present and complete.
- post-transfer earnings have been abated, if applicable.
- information to confirm there is appropriate medical cover.
- client contact information and verified bank account details.
- signed authority from the client if the payment is to be made to an advocate/legal representative.
- if it is a reopened claim, earnings information for the exclusion period i.e. earnings around previous weekly compensation and the new weekly compensation period (DOSI).
- If it is a new claim, the claim number you are to set up on and transfer entitlement from.

For more detail see the business rule below.

- Criteria to accept a request to transfer weekly compensation from an accredited employer to ACC

#### **NOTE** What if the Accredited Employer also has an ERA?

If they have indicated 'No' to ERA on the form and they hold an ERA we should send them an opt-out confirmation email.

Use the below template:-

As per the ACC413, you have opted out of ERA for this claim. If you believe this is incorrect, please reply to this email as soon as possible.

- Client name
- IRD Number
- Claim Number
- Date we are taking over payments

#### **NOTE** What if the information on file is incomplete?

Contact the Recovery Team Member who sent through the request to gather the required information.

- Transfer of an accredited employer claim Policy
- When an accredited employer is responsible for paying weekly compensation
- When ACC is responsible for paying weekly compensation on a claim that was managed by an accredited employer

## 2.0 Collect and calculate

### Experienced Payments Assessor, Payments Assessor

- a** In Eos, create the date of first incapacity (DOFI) or subsequent incapacity (DOSI) using the original date from the Accredited Employer managed period.

 Add a collection period from DOFI/DOSI

 Keeping a record of a weekly compensation entitlement period managed by an accredited employer

**NOTE What if ACC are to pay on a new claim as at a specific date?**

You will need to set up Weekly Compensation on the originating AE claim using the earnings information used by the Accredited Employer (Note: the originating claim may need a Dummy ACC45 set up on it), then using the process below, Transfer Weekly Compensation to the new claim as at the specified date.

 **PROCESS** Transfer Weekly Compensation from one claim to another

- b** Add the collection point and earnings information used by the Accredited Employer in Eos using the 'Set Up Weekly Compensation - PAYE' procedure linked below, then return to this procedure.

 Set Up Weekly Compensation - PAYE

<https://go.promapp.com/accnz/Process/Minimode/HistoricalProcess?ProcessUniqueId=b1102369-860e-4769-84e2-14b97f>

- c** Check that the weekly compensation rate calculated by Eos matches the rate paid by the employer.

**NOTE What if the rates don't match?**

Review the information provided on the claim and used in the Eos calculation to confirm the reason for the mismatch. If the error is due to inputting incorrect data, re-enter the correct information and re-run the calculation.

If the mismatch is due to the employer incorrectly calculating the weekly compensation rate, you'll need to confirm whether the employer has under or overpaid the client by manually calculating the difference between the rate the employer has paid and the correct rate as calculated in Eos then follow the steps below.

For an overpayment:

- Contact the Risk Sharing team at [AEPQueries@acc.co.nz](mailto:AEPQueries@acc.co.nz) to advise that you have identified an overpayment on an AEP claim that has been returned to ACC and explain the reason for the error. They will provide this information to the employer and the employer will determine whether to recover the outstanding amount from the client.
- Continue with this procedure to finish the payment set up.

For an underpayment:

- Contact the Risk Sharing team at [AEPQueries@acc.co.nz](mailto:AEPQueries@acc.co.nz) to advise you have identified an underpayment on an AEP claim that has been returned to ACC and explain the reason for the error, including a breakdown of the calculation. They will liaise with the AEP to alert them of the underpayment and provide them guidance on ensuring the error doesn't happen again in future.
- Once they have responded to your email to confirm the error, send a WC21 decision letter to the client to ask them to nominate a tax rate for the one-off payment amount. If you do not hear back from the client within 10 days, the payment will be taxed at the previously elected tax code set in the system.
- For any period where the client received the correct weekly compensation entitlement, create 'Do Not Pay' period types using 'Accredited Employer' as the status reason.
- You will need to advise the Risk Sharing team by email when the payment has been made so they can invoice the employer to recover the cost, if appropriate.
- Once you have completed the set up and manual override go to Activity 3.0.

 **PROCESS** Apply a Top Up or Override Payment

 Add a payment period

 Override weekly compensation payments

 Definition of a weekly compensation underpayment made by an accredited employer

 Definition of a weekly compensation overpayment made by an accredited employer

 ACC payment of a weekly compensation underpayment made by an accredited employer

 Notification to the Risk Sharing team of an accredited employer who makes a weekly compensation overpayment

 Notification to the Risk Sharing team of an accredited employer who makes a weekly compensation underpayment

- d** Where the rate was calculated correctly create a 'Do Not Pay' period type with 'Accredited Employer' status reason for the entire AEP managed period.

 Add a payment period

 When ACC is not responsible for paying weekly compensation on an accredited employer

- e** Check that the system derived NZSQA date is correct. This date will need to be modified in the situations detailed in the notes below.

**NOTE** What if the client was not paid an entitlement on EOS's preset DOFI +7days entitlement start date because the AEP period was on a previous claim?

You need to update the Entitlement Start Date to be the Date of First Entitlement for this claim (in these cases, the date you are paying on this claim from).

If the AEP period was handed back to ACC on the same claim, no change would be required as the DOFE will be correct based on DOFI +7days.

 Edit Entitlement Start Date

---

### 3.0 Review client payment

Experienced Payments Assessor, Payments Assessor

**a** Review the calculation for completeness and accuracy.

 Calculate weekly compensation Policy

**b** Update the payment periods' status for the ongoing (ACC managed) weekly compensation from 'Pending' to 'Approved' so that a payment schedule of due events can be created and initiate for approval.

 Edit a payment period

 Initiate payments for approval

**NOTE** What if the handover date has not been reached?

We cannot approve payments on an AEP managed claim. Close the setup weekly compensation task and create a follow up task to remind yourself on the day ACC takes over management to initiate for approval. The Recovery team member managing the claim is responsible for updating the cover status to 'Accept'. If they haven't done this you may need to contact them to ensure this is done.

**c** Send the Setup Weekly Compensation or Follow Up task to the Centralised Weekly Compensation Approval queue. Ensure you provide clarification in the task description so that the approver is aware this is an AE handback.

 Add an approval task

---

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

---