

Feature

Keep your PSSap employees covered

Current topics

What to do if you overpay us for members with no TFN

Quarterly report to PSSap members due

Reminder – Annual Member Statements process

New medico-legal service providers

ESO quick tip

Coming up

2007 Budget – super news

Frequently Asked Questions

AWFY update

Contact details

PSSap

PSS

CSS

Keep your PSSap employees covered – understanding eligibility requirements

Adequate insurance coverage for your employees is critical as highlighted recently by research into underinsurance issues facing Australia.

Insurance cover provided to members under PSSap is designed to help ease the financial burden of a death, injury or illness. As an employer, it is important to understand the eligibility requirements of insurance cover to assist your employees when they commence work.

What is an Automatic Acceptance Limit (AAL)?

An automatic acceptance limit refers to the maximum level of insurance cover employees can attain without the need to provide any health or other evidence as required by AIG Life (ARIA's insurance provider). The benefit is based on an agreed benefit formula which is usually derived from the employee's salary.

Eligibility Criteria for Automatic Acceptance

To qualify for automatic Death and Total and Permanent Disability (TPD) insurance cover, all new permanent employees and contractors (with a minimum three month contract) must join the PSSap within 60 days of commencing employment with the designated employer or agency.

For automatic Death and TPD cover all casual employees must join PSSap within 30 days of commencing employment with a designated employer or agency.

Provided the above occurs, insurance cover will commence from the date the member commenced working with the designated employer or agency.

Automatic insurance cover will be provided to all new employees provided they are under age 65 at the time of commencing employment with the designated employer or agency.

If an employee commences employment with a designated employer or agency and is aged 65 or over at that time, cover will be provided to them subject to being underwritten by AIG Life.

To determine what level of cover is available, please refer to the PSSap PDS available online at the Employer Centre under Forms and publications then select PSSap.

Why is 'At Work' so important?

Automatic insurance cover commences from the first day the employee is 'At Work'. 'At Work' means an employee is performing their normal duties and hours of their usual occupation. If the employee was not 'At Work' due to a sickness or injury on the date cover was to commence, they will be provided with New Events Cover until they return to work and are able to perform their normal duties and hours of their usual occupation for one day.

'New Events Cover'

'New Events Cover' means:

That the employee is only covered for claims arising from a sickness which first becomes apparent or an injury which first occurs on or after the date cover was due to commence and is not an injury or sickness which has caused the employee not to be 'At Work' on that date.

Why does an insurer perform underwriting?

If the employee requires cover in excess of AAL or joins outside the eligibility criteria for automatic acceptance or applies for additional insurance cover, they will be required to be underwritten by AIG Life.

Underwriting is the process undertaken by AIG Life to assess any insurance risk. In relation to life insurance, the risk is measured against the employee's current health, their past medical history and family medical history.

After assessing the medical evidence, AIG Life may do a number of things:

- > accept the insurance on standard terms; or
- > decline cover; or
- > offer cover under special acceptance terms, which may mean:
 - the amount of cover may be limited to a lower level than initially requested
 - the premium cost is increased, referred to as a 'loading'
 - an exclusion or restriction of cover is applied for a specific medical condition.

What happens if an employee leaves or completes their contract with you?

If an employee leaves or completes their contract with a designated employer or agency, insurance cover will cease 60 days thereafter. If an employee recommences employment with another designated employer or agency within 60 days, insurance cover will continue under PSSap.

How are premiums paid?

Insurance premiums are paid to AIG Life monthly and are deducted from employees' super accounts.

The level of these premiums is determined by the age of the employee, the type and level of their insurance cover.

Current topics

What to do if you overpay us for members with no TFN

The Better Super legislation means super funds must have members' tax file numbers (TFNs) in order to accept member (after-tax) contributions from employers. If we do not have a member's TFN on record, we may also be required to withhold tax at the top marginal tax rate on any employer and salary sacrifice contributions.

If you happen to overpay contributions for members as a result of there being no TFN on record you will need to contact us.

Just email reconciliations@comsuper.gov.au including the following information:

- > member name and AGS number; and
- > refund details.

Quarterly report to PSSap members due

The end of September is the end of the third quarter for 2007 and at that time you will need to provide each PSSap member at your agency with a report on what you have contributed to their super account. It is important to remember that any shortfall for a quarter must be paid within 28 days of the end of that quarter.

Reminder – Annual Member Statement process

The PSSap annual statements will be distributed from early October with the PSS and CSS being scheduled for distribution shortly after.

If we don't have a home address to send Member Statements for PSSap members, we will send the statement to their work address.

Unlike PSS and CSS statements, these statements will **not** be bundled together with distribution instructions. To comply with privacy, please ensure that any ARIA correspondence arriving at your mail room is passed onto the addressee immediately.

You can update member addresses via the Payroll Interface File and through the Employer Services online grid for manual reporters.

Members can update their addresses by using Your account (PSSap members) or Member Services Online (PSS and CSS members) or by calling us:

PSSap 1300 725 171
PSS 1300 000 377
CSS 1300 000 227.

New medico-legal service providers

For employees that are retiring on medical grounds you need to refer them to a medical practitioner from Health Services Australia or other approved medical practitioner.

We have recently completed an open market tender for the provision of medico-legal services. In order to meet our legislative requirements, you should now refer your employees to any one of the following four medico-legal service providers:

1. Australian Medico Legal Group
PO Box 184
Queen Victoria Building
Sydney NSW 1230
Bookings – phone 1300 554 361
2. Professional Opinions
Suite 01, Level 40, Australia Square
264-274 George Street
Sydney NSW 2000
Bookings – phone 02 9252 6611
3. Australian Medico Legal Services (MLCOA)
Level 6, 486 Albert Street
East Melbourne VIC 3002
4. Health For Industry / Health Services Australia
PO Box 281
Woden ACT 2606

We are in the process of revising forms and written procedures to reflect the changed arrangements.

If you have any questions or feedback about any of the new service providers please contact us at:
invalidity.assessment@pss.comsuper.gov.au; or
invalidity.assessment@css.comsuper.gov.au

ESO quick tip Error messages relating to TFNs

If you have completed a 'save' in the contribution grid and an invalid TFN error has generated, prior to zeroing out or deleting the member contributions straight away you should:

- > click on the information 'I' button next to the affected member's name on the grid and zero-fill with 9 zeroes (000000000) or space fill over the asterisk '*' in the TFN field; then
- > click on 'save' again. This will validate whether we hold a valid TFN for these members on our database and will populate accordingly. If our database holds a valid TFN for a member, member contributions can be accepted.

When using your Payroll Interface File (PIF), if you are unaware of a member's TFN you should space-fill the TFN field prior to import.

2007 Budget – super news

New Government proposals impacting the PSS and CSS were announced in the 2007 Budget.

Legislation to meet these requirements is currently before parliament and therefore we are unable to confirm full details.

Some of the proposed changes are scheduled to commence on 1 January 2008, including:

A change to Maximum Benefit Limits

There is an overall limit on the amount of benefits payable under the PSS Rules, called a Maximum Benefit Limit (MBL). This limit varies depending on your average salary, and generally only affects long-serving members.

If implemented, this measure will take effect from 1 January 2008.

Currently, most members are subject to an MBL of 8 times Final Average Salary (FAS). If these measures are implemented, from 1 January 2008, the current MBL arrangements will be replaced with one of two limits:

- > For members with an average salary of less than \$50,000, their MBL will be \$500,000 (indexed annually based on AWOTE (average weekly ordinary times earnings)).
- > For all other members, their MBL will be 10 times their average salary.

As an employer what do you need to do?

At this point, there is no need to do anything.

Once the legislation has passed we will be advising all employers on how the changes will affect any of your employees that may have already reached their MBL.

To find out more go to www.pss.gov.au or http://www.finance.gov.au/super/docs/Super_Circular_2007-1.rtf

Frequently Asked Questions

Who do I speak to about invalidity or the death of an employee?

PSS and CSS members

For invalidity enquiries, you should call one of the following people, depending on the last two digits of the particular employee's AGS number.

Contact	AGS no. range (last two digits)	Phone no.
PSS members		
Mal Page	01 - 33	02 6272 9170
Sharon Butt	34 - 67	02 62729107
Penny O'Neill	68 - 00	02 6272 9311
CSS members		
Jayne Heslop	01 - 50	02 6272 9328
Christine Tonge	51 - 00	02 6272 9315

PSSap members

For death and invalidity enquiries contact Employer Help – our contact details are at the end of this newsletter.

For enquires relating to the death of a member

When you are informed of a death of an employee you should contact Employer Services via the Employer Help Desk. This will ensure material is not sent to the deceased member.

For all PSS and CSS death benefit enquiries contact Scarlett McKone on 02 6272 9573.

How long is it taking to process PSS and CSS benefit estimates?

Due to the implementation on 1 July 2007 of the Government's Better Super reforms and the consequential need to enhance our systems, we have recently experienced delays in processing requests for benefit estimates.

We have successfully implemented the required system changes and are processing benefit estimates and clearing the backlog of estimate requests as quickly as possible.

While the current backlog of benefit estimates might take several weeks to clear, we anticipate resuming our normal service level standards for processing estimates during the next few months.

While clearing this backlog we will continue to give priority to any members who are faced with non discretionary retirement situations, such as invalidity.

We again sincerely apologise for these delay. We understand how important it is for members and employers to receive timely information and thank you for your patience.

Don't forget to register for this month's At Work for You employer training

Employer training will be held at ComSuper from 17 to 21 September. The sessions are free and you are welcome to attend any of our sessions.

It isn't too late to get involved, so please register your name and agency at employer.help@comsuper.gov.au and include the course name, date and time.

Training sessions

Date		Session details	
Monday 17 September	9.30am to 12.00pm and 2.00pm to 4.30pm	Recruitment training	The following topics will be covered for the PSSap, PSS and CSS: using the eligibility determiner, eligibility to join, starting a new member and choice of fund
Tuesday 18 September	10.00am to 4.00pm	Personnel training	The following topics will be covered for the PSSap, PSS and CSS: eligibility to join, medical and insurance information, contributions, Salary for Super, salary reductions and ceasing members
Wednesday 19 September	9.30am to 4.00pm	Advanced personnel training	The following topics will be covered for the PSSap, PSS and CSS: eligibility to join, medical and insurance information, Salary for Super, contributions, salary reductions, CSS part time, shift allowance and any requests from attendees *
Thursday 20 September	9.00am to 12.00pm	PSSap training	An overview of the PSSap scheme and will also cover the following PSSap topics: eligibility, choice, Salary for Super, insurance and contributions
Thursday 20 September	1.30pm to 4.00pm	ESO training	An overview of ESO as well as the following topics: how to use the eligibility determiner, overview of ESO, rules and validations and discussion of ESO issues
Friday 21 September	10.00am to 4.00pm	Introduction to PSS / CSS	This course is designed for new payroll and HR staff or for those personnel staff who are unfamiliar with the administration of the PSS/ CSS schemes and will cover: eligibility, Salary for Super, contributions and salary reductions

*When registering for this course, if there are some topics not included here that you would like us to include in the training, please let us know.

Do you have employees in Tasmania and Alice Springs?

During October our At Work for You team will be holding public workshops for members in Alice Springs and around Tasmania.

Our workshops can assist your employees to increase their financial management knowledge, skills and confidence by helping them to establish their retirement goals, set up their super for success, keep their super on track and to find out where to go for more information and help when they need it.

You can help to promote the workshops to your employees. We can provide you with posters and emails with information for your employees.

Just email Glen or Mabel for more details – the At Work for You contact details are below.

This month the At Work for You roadshow for members is visiting Perth and Canberra. Your employees can find out more and register by visiting their scheme website under **Learning centre** then **At Work for You workshops**.

Contact details



Employer Help Desk

Email employer.help@comsuper.gov.au
 Phone 02 6272 9993
 Fax 02 6272 9816
 Web www.aria.gov.au
 (select Employer Centre)

At Work for You

Email atworkforemployers@aria.gov.au
 Phone 02 6263 6999