



# FACT SHEET

## Workers compensation changes: Benefits

In June 2012 the government introduced changes to the Workers Compensation Scheme in NSW, including changes to the benefits system. The new system is focused on assisting and encouraging workers to return to work after an injury – which evidence shows is good for their health and wellbeing.

The changes to benefits relate to weekly payments, medical and related expenses, and compensation for permanent impairment.

### Weekly payments

Weekly payments are now structured to support you to return to work. They provide a higher rate of weekly payments during the first 13 weeks – when around 80 per cent of injured workers return to work – and incentive for you to return to work after that.

The new entitlements are dependent on:

- the period (in aggregate weeks) for which you have been receiving weekly payments
- your capacity for work – as assessed by the insurer – and your work status.

0–13 weeks	See A below	
14 weeks– 2.5 years	If you're working 15 or more hours per week	If you're not working 15 or more hours per week
	See A below	See B below

**Note:** after 1 year, overtime and shift allowance are excluded from pre-injury average weekly earnings.

2.5–5 years	If you have no work capacity indefinitely, or If you're working 15+ hours and earning \$155+ per week, and are unable to increase how much you work/earn indefinitely	If you have some work capacity but are not working 15+ hours and earning \$155+ per week, or If you could increase how much you work/earn
	See B below	Your weekly payments cease

**Note:** there is some special compensation for incapacity resulting from injury-related surgery available from 144 weeks.

5+ years	If you are 'seriously injured' (30+% permanent impairment), or If you have 21–30% permanent impairment and either: <ul style="list-style-type: none"> <li>• have no work capacity, or</li> <li>• are working 15+ hours and earning \$155+ per week</li> </ul>	If you have 20% or less permanent impairment, or If you have 21–30% permanent impairment and some work capacity but are not working 15+ hours and earning \$155+ per week
	See B below	Your weekly payments cease

#### A

You are entitled to the lesser of:

- 95 per cent of your pre-injury average weekly earnings, less any current weekly earnings and the value of any non-pecuniary benefits – eg motor vehicle use provided by your employer
- the maximum weekly compensation amount\*, less any current weekly earnings and the value of any non-pecuniary benefits

#### B

You are entitled to the lesser of:

- 80 per cent of your pre-injury average weekly earnings, less any current weekly earnings and the value of any non-pecuniary benefits – eg motor vehicle use provided by your employer
- the maximum weekly compensation amount\*, less any current weekly earnings and the value of any non-pecuniary benefits

\*The maximum compensation amount from 1/10/2012–31/3/2013 is \$1868.50.



Once you reach Commonwealth retirement age, you are no longer entitled to weekly payments.

**Note:** if you made your claim prior to 1 October 2012, then your entitlement to weekly payments will continue under the old system until the insurer conducts a work capacity assessment and makes a work capacity decision. Following that, your claim will transition to the new system, with a 'transitional amount' (which is \$920.90 at 1 January 2013, indexed bi-annually) used as your deemed pre-injury average weekly earnings. Your case manager will contact you before your claim is due to transition.

## Medical and related expenses

If you are receiving weekly payments, you can claim reasonably necessary medical and related expenses for up to 12 months after the payments stop – or 12 months after you make a claim, if you are not entitled to weekly payments.

If you are 'seriously injured' (more than 30 per cent whole person impairment), however, this 12 month limit does not apply.

Aside from treatment or services provided within 48 hours of your injury – and certain other exemptions – you must get prior approval from the insurer that the treatment or service is reasonably necessary in order for you to claim it as a medical or related expense.

**Note:** if you made your claim prior to 1 October 2012, and are not receiving weekly payments at 1 January 2013 and your situation remains the same, you are able to claim medical and related expenses up to 31 December 2013. If you have any concerns, you can discuss these with your doctor and case manager.

## Permanent impairment compensation

If you made your claim on or after 19 June 2012 (for an injury that occurred on or after 1 January 2002), you are entitled to a lump sum payment for permanent impairment if you are assessed as having permanent impairment greater than 10 per cent.

For psychiatric and psychological injury claims, the minimum level is 15 per cent permanent impairment.

For a given injury, you are only able to be assessed once for degree of permanent impairment and to claim once for a lump sum payment for permanent impairment.

## Other benefits

Depending on your injury, situation and claim, you may be eligible for some other workers compensation benefits that have not been affected by the changes. Your case manager will be able to advise you if this is the case.

## More information

If you have a query about your entitlements to workers compensation benefits, please contact your case manager.

For information about work capacity and how it is assessed by the insurer, see WorkCover's fact sheet *Changes to workers compensation: Work capacity* (catalogue no. WC03920).

For details of what is exempt from the 'prior approval' requirement for claiming medical and related expenses, see the *WorkCover guidelines for claiming compensation benefits* (catalogue no. WC03894).

For general information about the new benefits, go to [workcover.nsw.gov.au](http://workcover.nsw.gov.au) or call us on 13 10 50.

**Note:** the workers compensation changes do not apply to some workers. The excluded groups are police officers, paramedics, firefighters, coal miners and workers who make dust diseases claims.

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### Disclaimer

This publication may contain work health and safety and workers compensation information. It may include some of your obligations under the various legislations that WorkCover NSW administers. To ensure you comply with your legal obligations you must refer to the appropriate legislation.

Information on the latest laws can be checked by visiting the NSW legislation website [legislation.nsw.gov.au](http://legislation.nsw.gov.au)

This publication does not represent a comprehensive statement of the law as it applies to particular problems or to individuals or as a substitute for legal advice. You should seek independent legal advice if you need assistance on the application of the law to your situation.

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