

# **Weekly Income Compensation**

**Version 6.0  
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## Income compensation for veterans

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- 1.1 The **Veterans' Support Act 2014** introduced compensation for loss of earnings. This compensation is available to veterans in the form of:
- Weekly Income Compensation; and
  - Weekly Compensation.
- 1.2 The table below sets out a summary of the differences between the two forms of income compensation.

<b>Weekly Income Compensation</b>	<b>Weekly Compensation</b>
Available for Scheme One veterans	Available for Scheme Two veterans
Veteran is unable to work full-time due to any injury or illness	Veteran is unable to work full-time due to a service-related injury or illness
Paid at 80% of the average wage as at 1 April each year within the meaning of the Social Security Act 1964	Paid at 100% of the veteran's earnings before their injury or illness for the first year of incapacity, and 85% after, with a minimum rate of 80% of the average wage as at 1 July each year within the meaning of the Social Security Act 1964
<i>Sections 59 to 65 of the Veterans' Support Act 2014</i>	<i>Sections 100 to 104 and clauses 25 and 26 of the Veterans' Support Act 2014</i>

- 1.3 This policy applies to Weekly Income Compensation for Scheme One veterans only.
- 1.4 Go to the separate policy on *Weekly Compensation* for Scheme Two veterans.

## Eligibility

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- 1.5 To be entitled to Weekly Income Compensation a veteran must:
- a. have eligible service, which is:
    - service before 1 April 1974; or
    - service with the Civilian Surgical Team in Qui Nhon (Viet Nam) before 31 March 1975; or
    - with 41 Squadron in Viet Nam before 21 April 1975; and
  - b. be under the New Zealand Superannuation age (with some **exceptions**); and
  - c. be unable to work full-time as a consequence of injury or illness from whatever cause; and
  - d. be participating in rehabilitation set out in their Your Plan if they are assessed as being able to do so.

*Sections 38 and 59 of the Veterans' Support Act 2014*

- 1.6 A veteran cannot receive Weekly Income Compensation if they are receiving a benefit under the Social Security Act 1964 (refer to section 7). A veteran can elect to stop other benefits to receive Weekly Income Compensation.

*Section 59(1)(d) of the Veterans' Support Act 2014*

- 1.7 A spouse, partner, child or dependant of a deceased veteran who served before 1 April 1974 (including Viet Nam) **cannot** access Weekly Income Compensation. They may be eligible for a Surviving Spouse or Partner Pension, Children's Pension or Dependant's Pension. Go to the separate policies for *Surviving Spouse or Partner Pension*, *Children's Pension* or *Dependant's Pension*.

## 2. End of Eligibility

- 2.1 A veteran's eligibility to Weekly Income Compensation ends:
- a. on the date of his or her death; or
  - b. if he or she resumes full-time work or is assessed as being able to work full time (see section 6); or
  - c. if he or she is non-compliant (see section 19); or
  - d. when he or she reaches superannuation age (see section 7); or
  - e. if he or she chooses to receive a benefit under the Social Security Act 1964 (see section 8).

## 3. Determining whether a veteran is able to work

- 3.1 The Rehabilitation Adviser, from the medical information provided, is responsible for assessing a veteran's ability to work and providing their

findings to a Decision Officer to determine the veteran's entitlement to Weekly Income Compensation.

### **Establishing a veteran's inability to work**

3.2 See **Appendix 1: Flowchart for gathering entitlement information.**

*Serious injury or illness: unable to work*

3.3 If the veteran has a serious injury or illness and it is clear from the medical certificate it is unlikely they will be able to sustain employment (e.g. a severe brain injury), the veteran is considered seriously incapacitated and the application is referred to the Decision Officer.

*Serious injury or illness: work ability unclear*

3.4 If the veteran has a serious injury or illness but it is not clear whether they will be able to sustain employment (e.g. the veteran has burns, multiple fractures, or paraplegia), the Rehabilitation Advisor will consult with the Decision Officer and an appropriately qualified medical professional to determine whether to conduct a Vocational Assessment or obtain an Occupational Assessment.

*Serious injury or illness but likely to sustain employment, or not a serious injury or illness*

3.5 If the veteran has a serious injury or illness but it is likely the veteran is able to sustain employment, or the veteran does not have a serious injury or illness, the Rehabilitation Advisor will consider whether the veteran has previous **suitable employment history**.

*Suitable employment history*

3.6 Suitable employment history is a history of working in a job which, considering the veteran's injuries or illness, they will be able to return to in the future.

3.7 In determining suitable employment history the Rehabilitation Advisor will establish:

- a. the general type of employment the veteran is / was employed in; and
- b. the general duties they are required to perform for that employment; and
- c. the broad characteristics of the employment type and the veteran's limitations due to the injury or illness; and
- d. the period per week that the veteran was normally required to be available for work in that job; and
- e. whether or not workplace modifications have or could be applied to minimise the veteran's restrictions.

3.8 The Rehabilitation Advisor will decide if a vocational or occupational assessment is required. They may consult with the Decision Officer and an appropriately qualified medical professional for information to support this decision.

## 4. Participation in Your Plan rehabilitation

- 4.1 To receive Weekly Income Compensation, veterans must be participating in rehabilitation set out in their Your Plan if they are assessed as being able to do so.

*Section 59(1)(c)(i) of the Veterans' Support Act 2014*

### Unable to participate in a rehabilitation plan

- 4.2 A veteran can receive Weekly Income Compensation without participating in rehabilitation if, through no fault of the veteran, they are unable to participate.

*Section 59(1)(c)(ii) of the Veterans' Support Act 2014*

- 4.3 A veteran is unable to participate in rehabilitation if their injury or illness prevents them from doing so. For example:
- a. a veteran who has suffered total incapacity from a severe stroke will not be required to participate in the vocational section of their Your Plan.
  - b. If a veteran's injury or illness makes them unable to drive a car, this will not restrict their participation in Your Plan because the veteran can access travel support for treatment (for service-related injury only) and rehabilitation support.

## 5. Payment of Weekly Income Compensation

- 5.1 The amount of Weekly Income Compensation paid will depend on whether the veteran has any earnings that need to be taken into account.
- 5.2 Sections 7, 8 and 9 detail how to determine a veteran's weekly earnings.
- 5.3 Weekly Income Compensation is paid at the rate of 80% of the average wage, a figure that is calculated on 1 April each year.
- 5.4 Veterans using New Zealand bank accounts will receive the Weekly Income Compensation on a fortnightly basis.
- 5.5 If the Weekly Income Compensation is being paid to an overseas bank account, it is paid on a four-weekly basis.

## 6. Resuming work

### *Resuming part-time work*

- 6.1 If a veteran has part-time work while receiving Weekly Income Compensation, this affects the amount the veteran can receive from Veterans' Affairs. The veteran's ability to work full-time may also need to be reassessed.
- 6.2 Veterans' Affairs must reduce a veteran's entitlement so the veteran's combined earnings and Weekly Income Compensation payments do not exceed the average wage. This reduction is called abatement.

*Section 63 of the Veterans' Support Act 2014*

*Resuming full-time work*

- 6.3 Veterans who resume full-time work, or who are assessed as being able to resume full-time work, are no longer eligible for Weekly Income Compensation.

*Section 59(1)(b) of the Veterans' Support Act 2014*

- 6.4 If the veteran is assessed by Veterans' Affairs as able to work full-time their entitlement will cease. The time allowed after a veteran is assessed as able to work full-time depends on whether they are able to resume work in the same job, or in a different job.

*Section 62 of the Veterans' Support Act 2014*

- 6.5 A veteran must inform Veterans' Affairs when they return to work.

*Section 27(2)(a) of the Veterans' Support Act 2014*

- 6.6 Veterans who return to work without notifying Veterans' Affairs are liable to repay any Weekly Income Compensation paid to them while they are working.

- 6.7 If the veteran has been working and receiving Weekly Income Compensation for more than five working days without informing Veterans' Affairs, Veterans' Affairs may investigate whether the veteran has misled by wilful omission in order to continue to receive Weekly Income Compensation.

*Evidence that a veteran has returned to work*

- 6.8 A veteran will be considered to have returned to full-time work for the purposes of ceasing their entitlement if Veterans' Affairs receives verbal or written confirmation from the veteran, their spouse or partner, or their employer.

- 6.9 Final decisions on whether a veteran has returned to work and whether their entitlement should cease are determined by the Manager of Veterans' Services or the Team Leader Case Management if they have the authority to do so. See separate paper on *Operational Delegations*.

**Veterans assessed as able to return to full-time work**

- 6.10 Veterans' Affairs may assess a veteran as able to return to full-time work in either:
- a. the same job they had before their injury or illness; or
  - b. another job.

*Section 62 of the Veterans' Support Act 2014*

- 6.11 A veteran's ability to return to work will be determined by the Manager of Veterans Services or the Team Leader Case Management, in consultation with the Rehabilitation Advisor, taking into account:
- a. the nature and severity of the veteran's injury or illness; and



- b. any treatment and rehabilitation outcomes from the veteran's Your Plan; and
- c. any vocational or occupational assessment; and
- d. any medical certificate provided.

*Return to work assessments on lapse of medical certificate*

6.12 Veterans' Affairs may assess a veteran as able to return to full-time work if the veteran cannot provide a valid medical certificate certifying their incapacity for work.

*Veterans assessed as able to return to part-time work*

6.13 If a veteran is assessed as able to return to part-time work it is relevant to their Your Plan. The Rehabilitation Advisor will consider how Veterans' Affairs can help a veteran to transition into part-time work, particularly if this will help them to transition into full-time work when they are able.

*Section 62(2) and (4) of the Veterans' Support Act 2014*

**Giving a veteran notice of stopping payments**

6.14 The notice period that Veterans' Affairs gives before stopping Weekly Income Compensation payments varies depending on the reason for stopping payment. Different notice periods are summarised in the table below.

*Notice periods before stopping Weekly Income Compensation due to change in work status*

The veteran returns to work full-time.	Weekly Income Compensation stops from the date the veteran returns to full-time work.
The veteran is assessed as being able to return to work full-time in the same job they had previously.	If the veteran has been receiving payments for less than six months, their entitlement ceases after 10 <b>days</b> notice of this assessment.  If the veteran has been receiving payments for more than six months and is assessed as being able to return to the same job, their entitlement ceases when they return to work, or 28 days after they are assessed.
The veteran is assessed as being able to return to work full-time, but in a job that's different to their previous job.	Entitlement ceases on the day the veteran returns to work, or 28 days after the assessment.  <i>Section 62 of the Veterans' Support Act 2014</i>

**7. Relationship with other entitlements**

**ACC**

7.1 ACC provides Weekly Compensation for those unable to work because of an injury resulting from an accident at a rate of 80% of the claimant's pre-injury income.

- 7.2 A veteran cannot receive both full Weekly Compensation from ACC, and Weekly Income Compensation from Veterans' Affairs.
- 7.3 Veterans who have been declined by ACC may be eligible for Weekly Income Compensation provided by Veterans' Affairs (usually veterans whose impairment is from illness, rather than injury).

*Weekly Income Compensation for veterans receiving ACC*

- 7.4 If ACC is paying the veteran less than the rate that would be paid by Veterans' Affairs, Veterans' Affairs will pay the difference. If ACC is paying more than the Veterans' Affairs rate, no compensation will be paid.

*Sections 64 of the Veterans' Support Act 2014*

**New Zealand Superannuation or the Veteran's Pension**

- 7.5 Veterans who have been receiving Weekly Income Compensation for more than two years are no longer entitled when they turn 65. Special rules apply if the veteran becomes entitled within two years of turning 65.
- 7.6 If a veteran has already received Weekly Income Compensation previously they are not entitled to Weekly Income Compensation after turning 65.
- 7.7 Any special rules around Weekly Income Compensation for veterans who are almost 65, or over 65, are conditional on participation in their rehabilitation plan.

*End dates for Weekly Income Compensation (unless stopped earlier)*

<b>Age of veteran when first entitled to Weekly Income Compensation</b>	<b>End date (unless stopped earlier)</b>	<b>Other factors</b>
Under 63 years	When the veteran turns 65 years	
63 years	24 months after the first payment	If they elect to receive it instead of New Zealand Superannuation or the Veteran's Pension when they turn 65.
64 years	Until the veteran turns 65, then for a further 24 months	Paid first 12 months after turning 65. Must make election to receive it for further 12 months. Cannot receive New Zealand Superannuation or Veteran's Pension.

65 years or older	24 months after the first payment	Paid first 12 months from obtaining entitlement. Must make election to receive it for further 12 months. Cannot receive New Zealand Superannuation or Veteran's Pension.
<i>Section 65 of the Veterans' Support Act 2014</i>		

[Veterans who are 63](#)

- 7.8 If a veteran becomes entitled to Weekly Income Compensation when they are 63, they can receive Weekly Income Compensation for 24 months from the start of their entitlement, if they elect to receive it instead of New Zealand Superannuation or the Veteran's Pension after they turn 65.
- 7.9 At the end of this period the veteran is not entitled to Weekly Income Compensation and can receive New Zealand Superannuation or the Veteran's Pension (if eligible to do so).

[Veterans who are 64](#)

- 7.10 If a veteran is 64 when they become entitled to Weekly Income Compensation they can receive:
- a. Weekly Income Compensation until they turn 65; and
  - b. Weekly Income Compensation for 12 months after they turn 65; and
  - c. Weekly Income Compensation for a further 12 months, if the veteran elects to receive it.

At the end of this period the veteran is no longer entitled to Weekly Income Compensation and can receive New Zealand Superannuation or the Veteran's Pension (if eligible to do so). A veteran cannot receive Weekly Income Compensation and New Zealand Superannuation or a Veteran's Pension at the same time.

[Veterans who are over 65](#)

- 7.11 If a veteran first becomes entitled to Weekly Income Compensation after they turn 65 they can receive:
- a. Weekly Income Compensation for 12 months; and
  - b. Weekly Income Compensation for a further 12 months, if the veteran elects to receive it.

At the end of this period, the veteran is no longer entitled to Weekly Income Compensation and can receive New Zealand Superannuation or the Veteran's Pension (if eligible to do so). A veteran cannot receive Weekly Income Compensation and New Zealand Superannuation or a Veteran's Pension at the same time.

#### Election to receive Weekly Income Compensation

7.12 Three months before a veteran on Weekly Income Compensation must make an election to continue to receive Weekly Income Compensation, Veterans' Affairs must ask the veteran whether they wish to continue to receive Weekly Income Compensation instead of New Zealand Superannuation or the Veteran's Pension. The veteran must communicate their choice to Veterans' Affairs at least one month before the date this takes effect.

7.13 If a veteran does not inform Veterans' Affairs they choose to receive Weekly Income Compensation, Veterans' Affairs will cancel the entitlement when the veteran ceases to be eligible.

*Section 65(10) of the Veterans' Support Act 2014*

#### Changing an election

7.14 A veteran may make or revoke an election within one month of the entitlement taking effect if the veteran's circumstances have changed significantly since the end of the period. For example, significantly changed circumstances could include changes relating to the veteran's medical condition.

*Section 104(11) of the Veterans' Support Act 2014*

7.15 A late application because a veteran was unaware of the requirement or forgot to notify Veterans' Affairs would not constitute significantly changed circumstances.

## 8. Other Ministry of Social Development benefits

8.1 A veteran cannot receive Weekly Income Compensation if they are receiving a benefit under the **Social Security Act 1964**.

8.2 A benefit includes:

- a. Jobseeker Support
- b. Supported Living Payment
- c. New Zealand Superannuation
- d. Veteran's Pension
- e. an incentive payment
- f. an accommodation supplement
- g. Allowances, including:
  - a child disability allowance
  - childcare assistance
  - temporary additional support, or
  - a disability allowance.

8.3 Funeral grants paid under the **Social Security Act 1964** are not considered benefits.

*Section 59(1)(d) of the Veterans' Support Act 2014*

## Community Services Card

- 8.4 A veteran in receipt of Weekly Income Compensation may be eligible to receive a Community Services Card. For persons in receipt of Weekly Income Compensation, entitlement to a Community Services Card is not subject to income testing.

*Regulation 8(1)(ab) of the Health Entitlement Cards Regulations 1993*

- 8.5 The spouse or partner of a veteran in receipt of a Community Services Card may also be eligible to receive a Community Services Card.

*Regulation 8(3) of the Health Entitlement Cards Regulations 1993*

## Determining a veteran's weekly earnings

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- 8.6 Weekly Income Compensation is paid at 80% of the **average wage**. A veteran's earnings before their incapacity have no impact on the rate paid.

*Section 61 of the Veterans' Support Act 2014*

- 8.7 If a veteran receiving Weekly Income Compensation is working part-time, their earnings must be calculated to determine whether they should be abated.

*Section 63 of the Veterans' Support Act 2014*

### 9. Veterans who are receiving ACC compensation

- 9.1 If ACC is paying a veteran Weekly Compensation at a rate that is less than the Weekly Income Compensation rate of 80% of the **average wage**, Veterans' Affairs will top up the ACC Weekly Compensation payments to this amount.

- 9.2 If the ACC Weekly Compensation is higher than 80% of the average wage, no Weekly Income Compensation will be paid.

*Section 64 of the Veterans' Support Act 2014*

### 10. Veterans who have part-time earnings

#### Abatement

- 10.1 If a veteran has **part-time work** while receiving Weekly Income Compensation, Veterans' Affairs must reduce their entitlement so their combined earnings and compensation do not exceed the **average wage** for Weekly Income Compensation. This reduction is called abatement.

*Section 63 of the Veterans' Support Act 2014*

# Medical certificates

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## 11. Requirements for medical certificates

### *Evidence from a medical practitioner*

- 11.1 Medical certificates must include details from a **medical practitioner**, including:
- a. a diagnosis of the veteran's conditions by a specialist; and
  - b. confirmation of the veteran's ability to undertake work, if they are either:
    - unable to work full-time in their current or previous role; or
    - unable to work full-time in all types of work; or
    - able to do some work.
- 11.2 See **Appendix 2: Medical certificate flowchart**.
- 11.3 *Rules for medical certificates for incapacity*  
Medical certificates supplied for the purposes of ongoing entitlement to Weekly Income Compensation must adhere to the **Medical Council of New Zealand's guidelines**.
- 11.4 A medical practitioner can confirm whether a veteran is unable to perform their employment duties through issuing a medical certificate. A medical certificate can be any of the following:
- a. a written medical certificate; or
  - b. information included within a report from a medical practitioner.
- 11.5 To be acceptable the certificate must refer to the injury or illness in question and clearly identify the veteran's restrictions due to the injury or illness.
- 11.6 The medical certificate should be provided by the medical practitioner the veteran consulted about the injury or illness, and include any specialist reports.
- 11.7 If that medical practitioner is not available, a medical practitioner from the same practice can provide the certificate if details of the consultation can be confirmed.
- 11.8 If a public hospital treated the veteran but did not complete a certificate, it can be completed later, provided the medical practitioner completing the certificate has the hospital notes. If required, Veterans' Affairs will contact this medical practitioner to check that the hospital notes were available to them.
- 11.9 All medical certificates must be signed by the relevant provider.

### *Cost of medical assessment*

- 11.10 Veterans' Affairs may reimburse the costs of a medical assessment to determine a veteran's ongoing entitlement.
- 11.11 For reimbursement, the veteran or provider should supply Veterans' Affairs with the invoice from the appointment.

## **12. Ongoing medical certificates**

- 12.1 To be entitled to on-going Weekly Income Compensation, veterans must provide Veterans' Affairs with regular medical certificates certifying their incapacity for work.
- 12.2 Regular medical certificates allow Veterans' Affairs to monitor a veteran's continued need for Weekly Income Compensation and rehabilitation.

## **13. Frequency of medical certificates**

- 13.1 Veterans' Affairs requires medical certificates to be submitted at least every 13 weeks for long-term recipients of Weekly Income Compensation.
- 13.2 Where the veteran is receiving on-going treatment from a medical practitioner, more frequent certificates may be appropriate to:
  - a. ensure the veteran attends the medical practitioner when requested;  
or
  - b. understand whether the veteran's condition has changed in the meantime enabling them to return to work.

## **14. Acceptance of certificates**

- 14.1 Certificates that result in the granting of entitlements may be accepted by email or mail.
- 14.2 All medical certificates must be signed by the relevant provider, or appropriately authorised by the provider. The patient does not need to sign a medical certificate.

## **15. Exemptions**

- 15.1 It may be appropriate to require medical certificates less frequently than every 13 weeks, for example at 6-monthly or 12-monthly intervals.
- 15.2 Ongoing incapacity is instead monitored by regular contact with the Case Manager.

### **Criteria**

- 15.3 Medical certificates can be accepted for periods exceeding 13 weeks for a maximum period of 12 months, if all the following are met:



- a. functional restrictions have stabilised and are likely to remain unchanged; and
  - b. these restrictions mean the veteran is unable to perform any work; and
  - c. eligibility to long-term entitlements is not in doubt.
- 15.4 Agreement to less frequent medical certificates must be documented in the veteran's Your Plan.
- 15.5 The veteran must agree that:
- a. the Case Manager will monitor ongoing incapacity as part of scheduled, regular contact; and
  - b. the veteran, or their representative, must regularly complete a personal declaration, stating they are aware of their responsibility to declare to Veterans' Affairs any change in work fitness and other income while receiving Weekly Income Compensation.
- 15.6 This declaration is necessary to monitor progress and reduce the potential for fraud.

#### **Where the exemption does not apply**

- 15.7 The exemption should not apply if the veteran has a serious illness or disability but is 'non-compliant' (refer to section 18) with treatment or rehabilitation.

#### **Unstable health status: Serious illness or disability**

- 15.8 Where the health status of the veteran is fragile or unstable, e.g. where there are pressure sores or recurrent infections, the exemption does not apply.
- 15.9 In these cases, although the veteran's level of physical restriction is not in doubt, it is vital for their health status that there is regular medical supervision. The 13-weekly medical certificate provides this opportunity.

#### **Monitoring exemptions**

- 15.10 There will be situations where an exemption may need to be withdrawn once already approved, e.g. for reasons of non-compliance.
- 15.11 The Rehabilitation Team Leader is responsible for ensuring that discretion for agreement to less regular medical certificates is exercised appropriately.
- 15.12 The Rehabilitation Team Leader is also responsible for monitoring the use of this discretion as part of their coaching and quality assurance responsibilities.

## **16. Gaps of time between medical certificates**

- 16.1 In some cases there may be a gap between the period covered by the elapsed medical certificate and the period covered by the new medical certificate.
- 16.2 For example, if a veteran provides a medical certificate for an illness on 14 February covering their incapacity for 13 weeks up to 16 May. The second medical certificate covers the next 13-week period to 18 August, but as the

veteran was late in getting to the doctor it does not start until 19 May. In this case there is a two-day gap.

### **Gaps between medical certificates of less than 29 days**

- 16.3 When the gap between medical certificates is less than 29 days, Veterans' Affairs can continue to pay Weekly Income Compensation as long as it is satisfied that the veteran was incapacitated for that period.
- 16.4 Consider each case on its own merits. Some examples are:
- a. if the veteran has a serious illness, was clearly unable to work, but could not get an appointment with their general practitioner; or
  - b. the gap occurred within the accepted duration for that type of illness, and both the veteran and the current employer have confirmed the veteran did not work.
- 16.5 In all cases:
- a. contact the veteran and/or their employer (if any) to confirm they did not work during the gap period and note their response; and
  - b. note the gap period.

## **17. Retrospective and forward-dated medical certificates**

- 17.1 The following are examples of retrospective and forward-dated medical certificates.

### **Retrospective medical certificates**

#### *Example 1*

- 17.2 A veteran suffers symptoms of their illness on Sunday afternoon. They have Monday and Tuesday off work and are still suffering on Wednesday when they visit their general practitioner (GP). The GP provides a medical certificate, which is backdated to the date their symptoms started, despite not seeing the veteran until Wednesday.
- 17.3 The veteran's employer confirms that they were off work on Monday and Tuesday due to their symptoms.
- 17.4 Due to the nature of the illness, it is reasonably evident that incapacity would have commenced immediately at the time. Also, the veteran's employer has confirmed their unavailability for work due to the illness. Therefore, it is reasonable to accept the backdated medical certificate from Monday.

#### *Example 2*

- 17.5 A veteran suffered symptoms of an illness or condition in the evening of Tuesday 1 October, went to work on Wednesday but had Thursday off work. Their condition was still giving them trouble a week later and they were finding it difficult to manage their job. On Wednesday 9 October the veteran went to their GP who certified them as unfit from Tuesday 1 October to Sunday 13 October.

- 17.6 In this case, there is no basis on which to accept the backdated certificate. The veteran did not see a treatment provider until Wednesday 9 October and the GP had no supporting medical information with which to certify that the veteran was incapacitated from Tuesday 1 October. As a result, the backdated certificate should not be accepted and the start of entitlement would be Wednesday 9 October.

### **Forward-dated medical certificates**

#### *Example 1*

- 17.7 A veteran is unfit for work with a medical certificate confirming incapacity for the period 17 July to 17 September. On 13 September the veteran approaches his GP to obtain a new medical certificate for ongoing incapacity. The GP completes a new medical certificate on 13 September, indicating that the veteran will remain incapacitated for a further three months from 18 September.
- 17.8 It is clear from the medical information on file that the veteran will not be fit to return to work within three months of 18 September. The gap between the date of the certificate and the start date of incapacity is five days, and it is clear the certificate has been provided early simply to ensure continuity of Weekly Income Compensation payments. The certificate is accepted as verifying a three-month incapacity period from 18 September.

#### *Example 2*

- 17.9 A veteran is scheduled to undergo surgery on 23 August. On 19 August, the veteran obtains a medical certificate from their GP stating they will be incapacitated from work for five days following the surgery on 23 August.
- 17.10 Veterans' Affairs arranged the surgery scheduled for 23 August. After checking with an appropriately qualified medical professional, Veterans' Affairs determines the certificate is acceptable as, for the particular surgery to be undertaken, it is reasonable to expect the veteran to be off work for at least five days.

#### *Example 3*

- 17.11 A veteran is scheduled for surgery on 29 January. On 26 January, the veteran's GP completes a medical certificate stating incapacity for four weeks following the surgery on 29 January.
- 17.12 Veterans' Affairs consults with an appropriately qualified medical professional and decides not to accept the certificate as evidence of incapacity following the surgery. It cannot be determined simply from the type of surgery, and without examination of the veteran following the surgery, whether they will require this period of time off work. The veteran is instructed to obtain a new certificate of incapacity from their operating surgeon after the surgery, when their condition and likely period of incapacity can be assessed.

## **18. Overseas medical certificates**

- 18.1 If a medical certificate is received from an overseas provider, Veterans' Affairs may consider:

- a. the nature of the veteran's illness or disability; and
- b. the medical accreditation system in the veteran's country of residence to determine if a further certificate from a provider on the **list of Panel Physicians** approved by **Immigration New Zealand** is required.

## Non-compliance

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### 19. Veteran is non-compliant

#### Refusing to participate in rehabilitation

19.1 If a veteran is able to participate in rehabilitation, but is:

- a. not providing all relevant information; or
- b. refusing to undergo assessment; or
- c. refusing to co-operate in the development or implementation of rehabilitation in their Your Plan; or
- d. refusing to undertake rehabilitation in accordance with his or her Your Plan;

Veterans' Affairs may suspend or cancel their entitlement.

*Sections 27 and 59(1)(c) of the Veterans' Support Act 2014*

#### Stopping entitlement for non-compliance

19.2 If a veteran unreasonably refuses or fails to assist in maintaining their entitlement, or to comply with a **reasonable request** to supply information, attend assessments or participate in rehabilitation, Veterans' Affairs can cease their Weekly Income Compensation.

*Section 27 of the Veterans' Support Act 2014*

19.3 See **Appendix 3: Flowchart for non-compliance**.

#### *Reasonable request*

19.4 A request is reasonable when the decision maker takes into account the relevant factors, uses reliable evidence and makes a decision in good faith and for a proper purpose.

19.5 Final decisions on whether a veteran has failed to comply with a reasonable request and their entitlement should cease are determined by the Manager Veterans' Services.

#### *Example: Reasonable request and unreasonable refusal*

19.6 Veterans' Affairs asks a veteran to attend a medical assessment in two weeks' time. The veteran is advised by letter about the assessment and the implications of non-compliance.

19.7 The veteran ignores the request to attend the assessment, saying they did not have enough notice, or did not choose the provider, or have plans for recreational travel, or have not been told about non-compliance. Any of these responses is considered unreasonable.

## Administration of non-compliance warning, suspension and cancellation

### *Written notice of intention to cease payment*

- 19.8 Veterans' Affairs may cease payment if:
- a. it has given the recipient written notice of its intention to cease payment because they failed to comply with the requirement; and
  - b. the recipient has not, within 28 days:
    - complied with the requirement; or
    - established **reasonable grounds** for not complying with the requirement.

*Section 27(5) of the Veterans' Support Act 2014*

- 19.9 Decisions to cease Weekly Income Compensation because a veteran has not complied with a reasonable request from Veterans' Affairs are determined by the Manager of Veterans' Services.

- 19.10 Veterans' Affairs cannot decline entitlements retrospectively, and can only decline to pay future payments and cannot recover payments that it has already made.

### *Reasonable grounds*

- 19.11 Reasonable grounds for non-compliance include but are not limited to:
- a. the veteran is temporarily medically unfit to comply and has a medical certificate verifying this; or
  - b. the veteran has been affected by unforeseen circumstances or circumstances beyond their control that Veterans' Affairs accepts as reasonable grounds for non-compliance.

### *90 day suspension*

- 19.12 After ceasing payments Veterans' Affairs will suspend payment for 90 days.
- 19.13 In the 90 day period Veterans' Affairs may resume payment from the date the veteran complies and/or attends a missed appointment. Veterans' Affairs is not normally liable to make any payment to which the veteran would otherwise have been entitled for the period between the:
- a. the date from which their payments were first withheld; and
  - b. the date payments resume, i.e. the date the veteran begins to comply.

- 19.14 A veteran forfeits payments for the period in which they fail to comply.

### *Entitlement payments*

- 19.15 Veterans' Affairs is not required to pay a veteran's entitlement over the period in which the veteran failed to comply. However, Veterans' Affairs can if it believes that both:
- a. exceptional circumstances exist; and
  - b. it would be unfair to refuse to backdate.

19.16 Factors include, but are not limited to:

- a. the veteran is temporarily medically unable to comply and has a medical certificate verifying this; or
- b. the veteran has been affected by unforeseen circumstances or circumstances beyond their control that have caused significant financial hardship or emotional distress; or
- c. the impact for the veteran or their family of not having the entitlement backdated is out of all reasonable proportion to the reason why the veteran refused to comply; or
- d. the veteran's rehabilitation has not been affected or delayed by the period of non-compliance.

*Cancellation after 90 days*

19.17 If a veteran has not complied within 90 days their Weekly Income Compensation entitlement is cancelled.

## Application requirements

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### 20. Start of entitlement

- 20.1 A veteran becomes entitled to Weekly Income Compensation when:
- a. the veteran has completed and provided an **application form** to Veterans' Affairs; and
  - b. the veteran has supplied the supporting evidence required by Veterans' Affairs; and
  - c. Veterans' Affairs has accepted the application.

*Section 60(1) of the Veterans' Support Act 2014*

- 20.2 If Veterans' Affairs determines a veteran meets the Weekly Income Compensation criteria, entitlement begins on the day Veterans' Affairs received the application.

*Section 60(2) of the Veterans' Support Act 2014*

### 21. Evidence of earnings

- 21.1 Veterans must provide:
- a. their tax code and IRD number; and
  - b. the type of work they do; and
  - c. details of their wages in the 12 months before they were unable to work; and
  - d. details of any employers in those 12 months; and
  - e. details of any other earnings from that period; and
  - f. details of any periods of time they were not working; and
  - g. if a veteran has stopped earning, details of the sick pay, holiday pay, termination pay or redundancy pay they received or are receiving.

#### Offence to mislead

- 21.2 A veteran, or their representative, must not mislead Veterans' Affairs, either actively by making statements about their earnings known to be false, or by wilful omission, so that the veteran receives Weekly Income Compensation.
- 21.3 A veteran who is found to have actively misled Veterans' Affairs about information relating to their entitlement commits an offence.

*Section 270(1) of the Veterans' Support Act 2014*

- 21.4 A veteran who commits an offence is liable on conviction to imprisonment for up to three months, or a fine of up to \$5,000.

*Section 270(4) of the Veterans' Support Act 2014*



## 22. Evidence of incapacity

*Veterans not in receipt of any other entitlement from Veterans' Affairs*

22.1 Veterans must supply their service number and one of the following **certified** documents verifying their identity:

- a. full birth certificate; or
- b. current passport; or
- c. drivers licence; or
- d. firearms licence.

22.2 Veterans must also:

- a. provide their bank account details and an original or certified copy of their bank statement showing the account number, or a pre printed deposit slip stamped by the bank; and
- b. supply details of their service history.

22.3 If a veteran has already supplied this information to Veterans' Affairs for another entitlement they are not required to provide duplicates.

*Evidence from a medical practitioner*

22.4 Veterans must supply with their application details from a medical practitioner:

- a. a diagnosis of the veteran's conditions; and
- b. confirmation of the veteran's fitness to undertake work, if they are either:
  - fully unable to work full-time in their current or previous role; or
  - fully unable to work full-time in all types of work; or
  - able to do some work.

22.5 The full requirements for medical certificates are set out in the **Medical Certificates** section.

### Application timeline

22.6 Veterans' Affairs will make a decision on claims within 30 **working days** of receipt of an application.

22.7 This does not include any period during which Veterans' Affairs is waiting for further information that it requires to determine whether to accept the claim. This includes any further vocational, occupational or medical assessment requested to determine whether a veteran is **unable to work**.

*Section 11(2) of the Veterans' Support Act 2014*

### Overseas applicants

22.8 Veterans living overseas can apply for Weekly Income Compensation.

- 22.9 If a veteran is living overseas, the veteran is responsible for paying the costs of assessing whether the veteran is unable to work full-time.
- 22.10 Veterans living overseas are subject to the same policies on the administration of Weekly Income Compensation as those living in New Zealand.

*Section 59(2) of the Veterans' Support Act 2014*

## **23. Reviews and Appeals**

- 23.1 If a veteran disagrees about a decision concerning eligibility for an entitlement or service **go to separate policies on Reviews and Appeals**. If a veteran is concerned about Veterans' Affairs' administration of an entitlement or service **go to separate policy on Complaints**.

## Glossary

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### **abatement**

The term used for the process of deducting part-time earnings from Weekly Income Compensation under the Veterans' Support Act 2014.

### **average wage** [section 61]

Means the average wage, as at 1 April each year, within the meaning of the Social Security Act 1964.

*average wage means, at any time, the before tax average ordinary time weekly wage (all sectors, male and female combined) as specified in:*

- (a) the latest Quarterly Employment Survey published by Statistics New Zealand; or*
- (b) if the survey referred to in paragraph (a) ceases to be published, a survey certified by the Government Statistician as an equivalent survey to the survey referred to in that paragraph.*

### **days**

Unless specified otherwise, means calendar days

### **Established self-employed or shareholder employee**

Means veterans who have been self-employed or a shareholder for longer than the relevant year before the start of their incapacity.

### **full-time** [section 7]

in relation to employment and work, means employment for either –

- (a) an average of at least 30 hours per week; or
- (b) a lesser number of hours, if the lesser number of hours is defined as full-time employment in the employment agreement under which the veteran was employed, because of the particular nature of employment.

### **impairment** [section 7]

Means a loss or abnormality of psychological, physiological, or anatomical function or structure.

### **incapacity** [ACC glossary]

The inability to work in employment, or the absence from a workplace for healthcare, because of a covered injury or illness.

### **new self-employed or shareholder earner**

Means a veteran who became self-employed or a shareholder employee in the same **tax year** as the start of their incapacity.

### **New Zealand Superannuation qualification age** [section 7]

Means the age at which a person becomes entitled to receive New Zealand Superannuation under the New Zealand Superannuation and Retirement Income Act 2001.

### **next previous year**

Means the income year prior to the most recently completed income year.

### **non-permanent employee**

Means work where the veteran is:

- (a) A seasonal or casual employee
- (b) An employee on unpaid parental or extended unpaid leave in the next 12 months
- (c) An employee with a long-term employment contract but with lengthy scheduled breaks with no wages payable
- (d) An employee who would not continue to receive earnings from that employment for a continuous period of 12 months.

### **part-time work**

*Part-time work* means work that averages not more than 30 hours a week when calculated

over a period of the preceding 3 months—

- (a) under a contract of service, whether on time or piece rates; or
- (b) as a self-employed person in any business, profession, trade, manufacture, or undertaking.

### **qualifying service** [section 8]

Means:

- (a) qualifying operational service; and
- (b) qualifying routine service.

### **qualifying operational service** [section 8]

Means:

- (a) service on any deployment treated as a war or emergency for the purposes of the War Pensions Act 1954; and
- (b) service on any deployment declared to be operational service under section 9 of the Veterans' Support Act 2014.

### **qualifying routine service** [section 8]

Means service in the armed forces before 1 April 1974 that is not qualifying operational service.

### **service-related** [section 7]

In relation to an injury, an illness, a condition, or a whole-person impairment, means an injury, an illness, or a whole-person impairment caused by, contributed to by, or aggravated by qualifying service.

### **service-related death** [section 7]

In relation to Scheme One means death attributable to qualifying service.

### **social security enactment** [regulation 23(3)]

Means:

- (a) Schedule 27 of the Social Security Act 1964;
- (b) the Social Security (Long-term Residential Care) Regulations 2005;
- (c) the Social Security (Income and Cash Assets Exemptions) Regulations 2011;
- (d) the Social Security (Temporary Additional Support) Regulations 2005.

### **tax year**

Means a period starting on 1 April and ending on 31 March.

**unable to work** [section 59]

Means unable to work as a consequence of injury or illness from whatever cause.

**Veterans' Affairs** [section 7]

Means Veterans' Affairs New Zealand (VANZ) established under section 198 of the Veterans' Support Act 2014.

**veteran** [section 7]

Means:

- (a) a member of the armed forces who took part in qualifying operational service at the direction of the New Zealand Government; or
- (b) a person:
  - (i) who has been:
    - (A) appointed as an employee of the Defence Force under section 61A of the Defence Act 1990; or
    - (B) seconded to the Defence Force with the permission of the Chief of Defence Force; and
  - (ii) who took part in qualifying operational service at the direction of the New Zealand Government; or
- (c) a person who, immediately before the commencement of Part 3 of this Act, is eligible for a pension under the following provisions of the War Pensions Act 1954:
  - (i) section 19 (but only if the person was a member of the forces);
  - (ii) section 55 or 56;
  - (iii) Parts 4 and 5

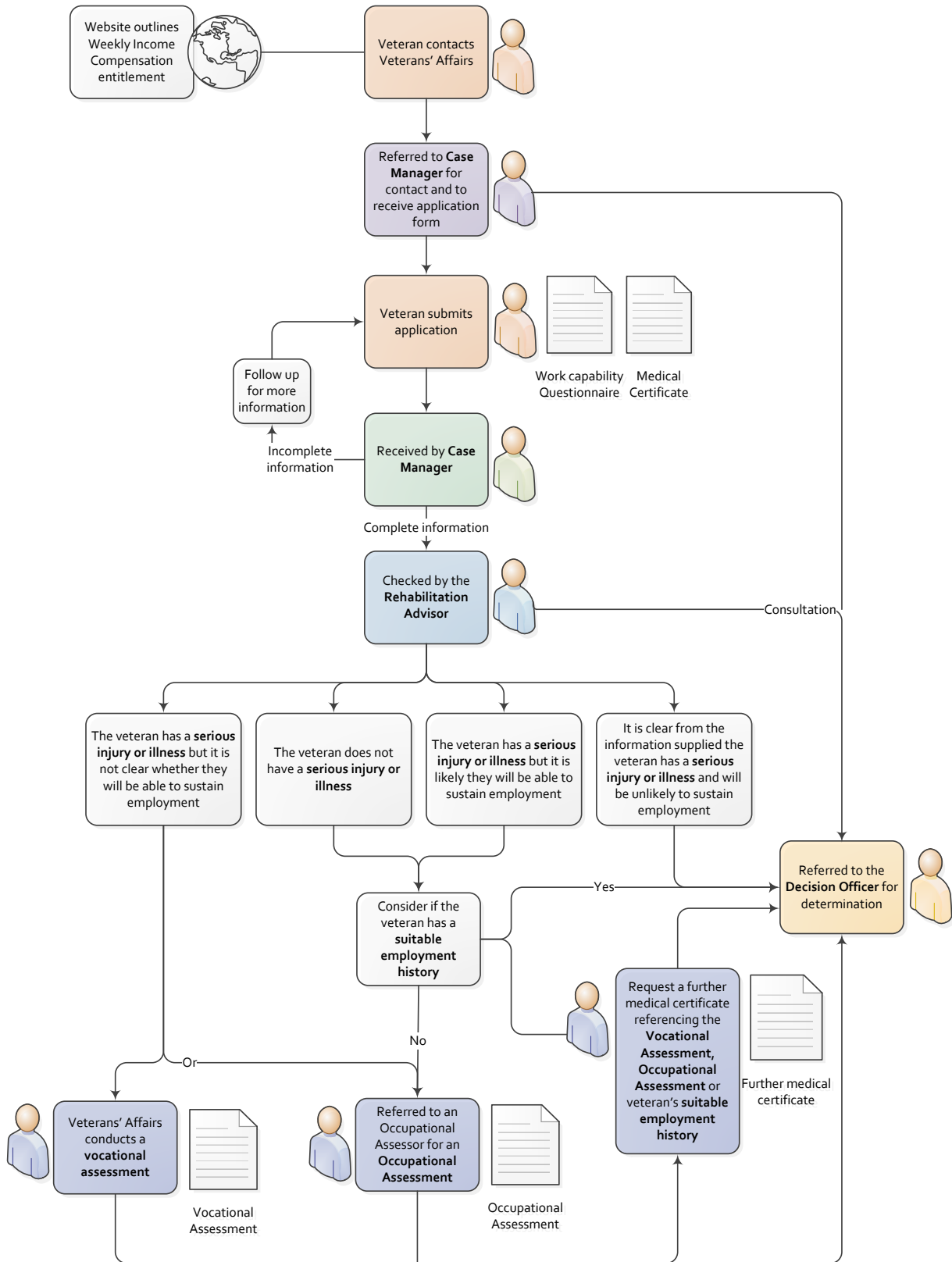
**working day** [section 7]

Means a day of the week other than:

- (a) a Saturday, a Sunday, Waitangi Day, Good Friday, Easter Monday, Anzac Day, the Sovereign's birthday, and Labour Day; and
- (b) if Waitangi Day or Anzac Day falls on a Saturday or a Sunday, the following Monday; and
- (c) a day in the period commencing on 25 December in any year and ending with 15 January in the following year.

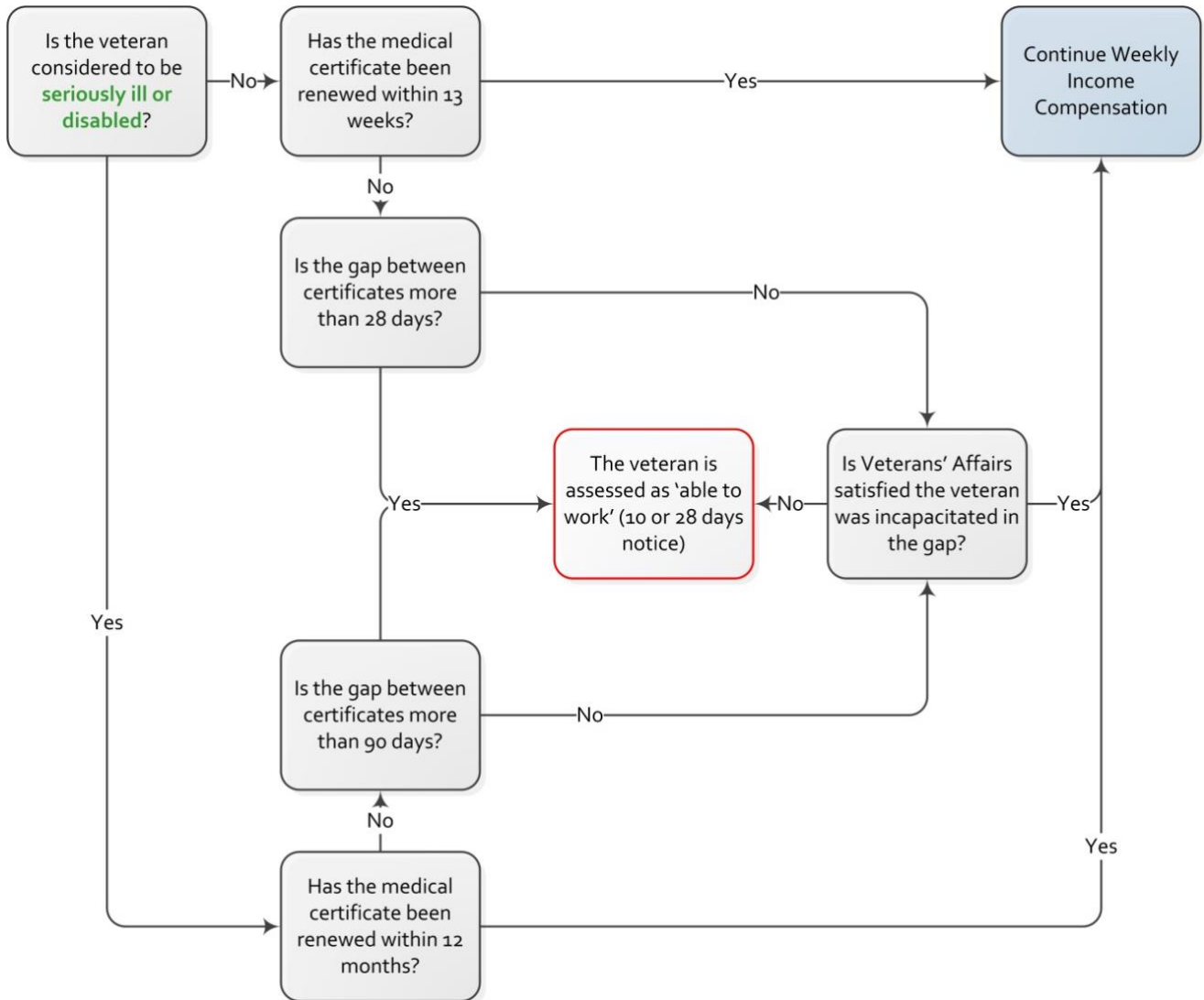
# Appendix 1: Flowchart for gathering entitlement information

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.



## Appendix 2: Medical certificate flowchart

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.



# Appendix 3: Flowchart for non-compliance

This flowchart is a summary of the process and should not be referred to without full consideration of the policy.

