



## TOTAL PERMANENT DISABILITY INSURANCE

### THIS FACT SHEET IS FOR:

This fact sheet is for people who have applied for or are eligible for Total Permanent Disability (TPD) Insurance payments and who are also receiving or will apply to receive Centrelink payments.

### IMPORTANT:

TPD Insurance payments are not 'income' or 'compensation' within the meaning of social security law. If you feel your Centrelink payments have been effected because you received a TPD payment, you should seek advice.

### What is Total Permanent Disability insurance?

TPD is insurance often provided by your superannuation provider. If you are no longer able to work in your usual occupation or any other occupation you would be reasonably suited to, due to mental or physical disability or ill health, you may be eligible for a TPD insurance pay-out.

TPD is usually paid out because you:

- A. Have lost the use of more than one limb due to illness or injury.
- B. Are permanently unable to work due to sickness or injury.

### How is it paid to me?

TPD is paid as a lump sum into your superannuation fund, it is not usually paid directly to you.

### Are TPD payments a form of compensation?

Centrelink have specific rules for how compensation payments are treated. 'Compensation' under social security law, usually refers to payments from bodies like Workcover or the Transport Accident Commission.

You can get more information about how compensation payments affect Centrelink entitlement on our fact sheets which you can view online.

TPD payments are NOT compensation for Centrelink purposes and don't have the same effect on your Centrelink payments.

### Are TPD payments a form of income?

If you receive income whilst also receiving a payment from Centrelink, the amount of income you receive will affect your Centrelink payment.

You can get more information on how income affects your Centrelink payments on this fact sheet online: <https://www.brq.org.au/assets/Uploads/1FactSheets2016/BRQ-IncomeManagement-ReportingIncome.pdf>



TPD payments should not be assessed as “income” for Centrelink purposes. Even if your insurance provider pays you in regular payments it should still not be assessed as income by Centrelink.

### Should I report my TPD payments to Centrelink?

You should report any change in circumstances to Centrelink. However, by reporting your TPD payments to Centrelink, your payments should not be affected.

### What if Centrelink is refusing to pay me or I think they have made a mistake?

If Centrelink make a decision to reduce or cut-off your payments due to the fact you received TPD payments, you should seek advice from an expert.

If you are in Victoria, you can contact Social Security Rights Victoria on (03) 9481 0355 or [info@ssrv.org.au](mailto:info@ssrv.org.au)

### How do I appeal a decision?

You should tell Centrelink as soon as possible if you want to appeal their decision. You should appeal a decision made by Centrelink that you disagree with within 13 weeks of being notified of their decision in order to receive maximum back pay. You will only receive back pay if you are successful in your appeal.

The first step is to write a letter or just tell a Centrelink officer in person at a Centrelink office or over the phone that you want to appeal the decision and have an Authorised Review Officer review the Centrelink decision.

SSRV recommends putting your appeal in writing and keeping a copy of this appeal for your records. This will make it easier for you in the future if you need to appeal the Authorised Review Officer’s decision and have it escalated and appeal to the Administrative Appeals Tribunal.

You should outline why you believe Centrelink has made a mistake.

If you are unhappy with the initial response to your appeal, you may be able to apply to the Social Services and Child Support Division of Administrative Appeals Tribunal. It is best to contact SSRV to get a better understanding of your rights in this process

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This fact sheet contains general information only. It does not constitute legal advice. If you need legal advice, please contact SSRV on either 94810355 or [www.ssrv.org.au](http://www.ssrv.org.au). SSRV is a community legal centre which specialises in social security law, administration and policy. SSRV is independent of Centrelink and all assistance is free.

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