

Payments for dependents

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Introduction

A **dependant** is a person who is dependent for economic support on the employee at the time of the employee's death. A dependant is entitled to claim compensation if liability for the death has been accepted under the SRC Act.

In order for compensation to be payable, you must be satisfied that:

- the claimant's relationship with the employee was one of those referred to in the definition of dependant in [section 4\(1\) of the SRC Act](#).

Dependants may be entitled to claim compensation for weekly payments and lump sum payments. See [Weekly payments to prescribed children](#) for more information about weekly payments. See [Overview of lump sum payments](#) for more information on lump sum payments.

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Establishing dependency

You will need to have regard to the following considerations when establishing who is a dependant of the deceased employee:

- the dependant's social situation including:
 - separated families
 - extended families
 - foster families
 - polygamous families
 - culturally diverse families
 - any child support that may have been paid, and
 - expected future support (including school fees, uniforms, medical/dental expenses).
- evidence that is required to be provided to establish a relationship with an employee, such as:
 - birth certificate(s)
 - adoption certificates, and/or
 - marriage certificate(s) or other recognitions of legal partnership.

A statutory declaration can be provided where other evidence of dependency is not available.

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De facto relationships

You may need to assess a de facto relationship and determine whether two parties had a relationship as a couple living together on a genuine domestic basis. All of the circumstances of their relationship are to be considered, including any or all of the following circumstances:

- the duration of the relationship

- the nature and extent of their common residence
- whether a sexual relationship existed
- the degree of financial dependence or interdependence and any arrangements for financial support between them
- the ownership, use and acquisition of their property
- the degree of mutual commitment to a shared life
- the care and support of children
- the reputation and public aspects of the relationship.

A common household is important in determining whether a couple is living in a de facto relationship. However, parties may still be considered in a de facto relationship if they were living apart temporarily. Examples include:

- due to work commitments of one party or due to illness or infirmity of one or both parties
- one party is in a nursing home.

Other evidence that would assist in establishing a de facto relationship would include:

- mutual wills
- evidence of joint debts
- evidence of a common residence (such as a lease, mail from banks, utility providers showing the parties' address)
- evidence of jointly owned property (such as title deeds or mortgage documents)
- bank statements showing a joint account
- statutory declarations from persons who know the parties and are able to attest to the length of the relationship, nature of the relationship, use of property, degree of commitment to a shared life, and/or the public reputation of the relationship generally.

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Types of dependency

It is important to note that dependency under section 17 of the SRC Act varies between:

- wholly dependent
- mainly dependent, and
- partly dependent.

Wholly dependent

Whole dependence means that the dependant relied entirely on the deceased employee to provide economic support at the time of death. This is usually the partner and/or children living with the employee at the time of death.

The spouse and children living with the employee (prescribed children) at the date of death are wholly dependent, irrespective of financial dependency. This is according to section 4(5) of the SRC Act.

Example: A dependent child is under 16 and living with the employee at the date of the employee's death. The child is wholly dependent.

Mainly dependent

Mainly dependent means that the person was primarily reliant on the deceased employee for a large degree of economic support, although they also had some income of their own to rely on.

Example: A deceased employee was responsible for 70% of the dependent child's income prior to death (the other 30% was provided by the remaining parent). The child is mainly dependent.

Partly dependent

Partly dependent means the dependant relied on the employee financially to some degree at the date of death. A partial dependant may earn some income of their own. They had also relied on the deceased employee for economic support. People that fall into this category may include children not living at home, an ex-spouse, or a parent of the employee.

Example: The employee was giving their mother \$100 per fortnight to assist with day-to-day living. Their mother is working part-time but her wage is not enough to support herself. The mother is partly dependent.

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Evidence to demonstrate partial dependency

The employee needs to have been economically supporting the dependant who would be unable to live off their own income. Occasional gifts and money for entertainment is not sufficient to find a state of dependency.

Documents to support partial dependence can include:

- evidence of dependant's after-tax weekly income, which can be obtained from:
 - payslips or information from the dependant's employer and
 - income from investments (if applicable).

If a dependant is earning income, consideration needs to be given to the amount of income they are earning and the reason why they are working.

However, there are types of income that **should not** be considered. These include:

- income earned from increasing or commencing employment because of the employee's death
- family tax benefit
- carer allowance, and
- double orphan pension.

Evidence of total weekly household expenditure can include proof of payment of:

- mortgage
- rent

- food
- electricity
- gas
- rates
- schooling costs (if relevant), and
- any other related expenditure.

You will also need to estimate the expected period of dependency. This figure is the number of weeks over which the employee could have been expected to provide economic support to the dependant. This involves examining:

- the shorter of either the employee's life expectancy (if they had not died) or the dependant's life expectancy
- in the case of children under 16 years of age, when they will reach age 25 years
- in the case of children 16 years or older and under 25, when they will either reach the age of 25 or complete a course of studying or training.

Example: The dependant is the deceased employee's child under the age of 25 years. The deceased employee made rental payments while the adult child was at university. The deceased employee was paying \$300 per week for the accommodation. The adult child had 2 years or 104 weeks left at university, $104 \times \$300 = \$31,200$. The lump sum amount payable to this partial dependant under section 17(4) is \$31,200.

There may be other circumstances that you may need to consider, such as where:

- a lesser degree of dependency is claimed, or
- someone else is contributing to the support of the dependant.

Example: The deceased employee and his spouse were divorced. The spouse (who does not qualify as a dependant) has custody of the child of that marriage and received child support in respect of that child. Following remarriage, the spouse's current husband contributes to the child's upkeep. The child was not wholly dependent on their father at the date of death but could be considered partly dependent because of the child support payments.

Procedure for establishing dependency and adding dependants to Pracsys

The following procedure is used to assess a dependant's level of dependency.

Step 1: Review the information provided.

Ensure details of all the dependants have been provided in the [Claim for Compensation for a Work-Related Death form](#).

Step 2: Is there any information missing?

- if yes, phone the claimant and request the information be provided. Pause the procedure until you have all relevant information
- if no, continue.

Step 3: Does the person meet the definition of a dependant?

- after referring to the information on this page, if yes, continue
- if no, phone the claimant to inform them that the person is not a dependant under the SRC Act and therefore has no entitlements to compensation in relation to the deceased employee. End this procedure.

Step 4: Enter dependant in Pracsys.

Complete all the information for each dependant in MDEP screen.

Step 5: Was the dependant a spouse or child living with the employee immediately before their date of death?

- if yes, the dependant is wholly dependent
- if no, continue.

Note: If the dependant was not living with the deceased employee before their date of death you will next need to assess the claimant's level of dependency.

Step 6: Was the dependant someone other than a spouse or child and was living with the employee immediately before their date of death?

- if yes, continue
- if no, the dependant is partially dependent.

Step 7: Was the dependant earning any income?

- if yes, the dependant is partially dependent
- if no, the dependant is wholly dependent.

Step 8: Repeat steps 3 to 7 for each dependant listed on the Claim for Compensation for a Work-related Death form.

Once steps 3 to 7 have been applied to each dependant listed on the claim form, continue.

Step 9: Enter comment in Pracsys.

Use the MCOM screen. Ensure that your comment details which dependants have been determined as wholly or partially dependent, and your reasoning.

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Overview of Lump Sum Payments

Section 4(1) of the SRC Act defines dependent to mean 'dependent for economic support'. A person who is wholly or partly dependent on the employee at the time of death is entitled to claim a lump sum payment under the SRC Act in relation to the death of the employee.

Lump sum payments are based on an annually indexed [statutory rate](#) at the date of the death.

Compensation for injuries resulting in death

Where an injury to an employee results in death, section 17 of the SRC Act provides for:

- the payment of lump sum compensation to the dependants of the employee.

The dependants need to have been wholly or partly dependent on the employee at the date of the employee's death.

No lump sum compensation is payable if the employee had no dependants at the date of their death.

Section 4(1) of the SRC Act defines **dependant** as 'being a person who was wholly or partly dependent on the employee at the time of death.' Therefore, dependants, whether wholly and partially dependent, can receive a portion of the lump sum under section 17(3) of the SRC Act.

Amount to be paid

Sections 17(3) and 17(4) of the SRC Act prescribe the two lump sum options that are to be paid in the circumstances of either whole or partial dependence as follows:

- wholly dependent - at least one of the dependants was wholly dependent on the deceased employee at the date of death. The maximum sum must be paid.
- partly dependent - none of the dependants were wholly dependent on the deceased employee at the date of death. But one or more dependants were partly dependent on the employee as at the date of death. An amount up to, but not exceeding, the maximum lump sum may be paid.

Example: There are no dependants found to be wholly dependent upon the employee. However, an adult daughter claims partial dependency following the death of the employee. The daughter provides evidence by way of financial and personal records. These establish that the employee had provided financial support to her of \$150 per week. The support was to assist in paying off the daughter's loan, until repaid completely. The loan would have been repaid completely in five years' time - $\$150 \times 260 \text{ weeks} = \$39,000$ lump sum.

Amount to be shared

The total amount that is payable under either section 17(3) or 17(4) of the SRC Act is to be shared among all the dependants. This includes both wholly dependent and partly dependent dependants.

Under section 17(8), where compensation is payable to two or more dependants:

- you have the discretion to determine the percentages of compensation payable to those dependants in the amount that they 'think is fit'.

You need to have regard to any losses suffered by those dependants as a result of the cessation of the employee's earnings. Therefore, shares may or may not be equal.

As a guideline, the spouse of the deceased employee will receive 75% or more of the total amount and each of the dependent children will receive the following:

| Number of Children | % |
|--------------------|--|
| 1 | 10% (90% remainder to spouse) |
| 1-2 | 10% each (80% - 90% remainder to spouse) |
| 3-5 | 5% each (75%-85% remainder to spouse) |
| More than 5 | 25% divided between all children (75% remainder to spouse) |

Note: Each case must be assessed on its own merits and the circumstances of each dependant.

Apportioning the amount

You should apply the following principles when apportioning the amount of death lump sum compensation payable. Each case must also be considered on the evidence provided and the circumstances of the case:

- Every dependant is potentially entitled to receive some part of the lump sum.
- The lump sum payable must be distributed among wholly dependent (if any) and partly dependent dependants of the deceased employee.
- When considering distributing the lump sum payable among wholly and partly dependent dependants under section 17(8):
 - you are required to 'have regard to any losses suffered by those dependants as a result of the cessation of the employee's earnings.
- This creates an obligation on you to consider each dependant (whether wholly or partly dependent on the employee) in apportioning the lump sum.
- In assessing a dependant's share of the lump sum, you could conclude that a 'zero' share is appropriate, given the actual level of financial dependence of the dependant.

Note: A child that has not yet been born can be considered as part of the lump sum payable. A portion of the lump sum benefit can be attributed to the unborn child and be paid into a beneficiary trust account upon birth.

Losses suffered by each dependant as a result of the cessation of the employee's earnings

When apportioning the lump sum compensation, you must focus on 'losses suffered by those dependants as a result of the cessation of the employee's earnings.'

'Dependent' is defined as being 'dependent for economic support.' Apportionment of death lump sum compensation is based on the economic loss that results from the employee's death. The reference to 'cessation of earnings' above makes this clear.

Determining the nature and extent of the economic loss may not be straightforward. For example, a child who primarily lives with one parent may visit and stay with the other parent. Whilst residing at the other parent's home all expenses are met. In determining the loss of the child after the death of the non-custodial parent, it may be appropriate to consider:

- child support payments made by the non-custodial parent
- the value of economic support the child received whilst visiting the non-custodial parent.

Section 17 of the SRC Act provides for the maximum payment of a specified lump sum. That sum is not reflective of the monetary value of the income lost as a result of the employee's death. Otherwise, the lump sum would vary depending on the dollar value of the income of the employee.

For similar reasons, this section of the SRC Act does not seek to replace the dollar value of the financial loss suffered by the dependant. Instead, the section seeks to allocate the lump sum in proportion to the level of dependence of each dependant, rather than the financial loss suffered by each dependant. For further clarification, see [Apportioning the maximum amount of lump sum payable](#).

Ascertain the economic loss

The most appropriate way to ascertain the economic loss that a dependant has suffered (as a result of the cessation of the employee's earnings) is to:

- consider all the sources of economic support that each dependant had at the date of the employee's death, and
- determine what proportion of support was constituted by the employee's earnings.

Superannuation

It is not appropriate to consider superannuation (or life insurance policies etc) as a form of economic support as there is separate legislation dealing with superannuation entitlements in the event of an employee's death.

Compensation payments

Under section 17(7), in ascertaining the totality of economic support available, the following **should not be taken into account**:

- an amount of compensation paid or payable under the SRC Act before the death of an employee, or
- compensation available for a prescribed child.

For a dependent child, the following must not be taken into account:

Family tax benefit, carer allowance and double orphan pension

For a dependent child, the following **must not be taken into account**:

- family tax benefit calculated under Part 2 or 3 of Schedule 1 to the *A New Tax System (Family Assistance) Act 1999* (an individual's Part A rate)
- carer allowance under that Act, and
- double orphan pension under that Act.

Reasonable duration of support

It is appropriate to consider the length of time that the deceased employee could reasonably have been expected to continue supporting that dependant. This will support you in ascertaining the loss that each dependant has suffered.

| Dependant | Time period |
|----------------|---|
| Spouse/partner | <p>It is reasonable to assume that the relevant period of loss is:</p> <ul style="list-style-type: none">• from the date of the employee's death until the date when he or she would have reached statutory retirement age. <p>This is because that period has a causal connection with the cessation of the employee's earnings.</p> <p>This may also be the relevant period of loss for other dependants. An example might be a disabled child whose economic dependence is likely to continue throughout their lifetime.</p> |
| Child | <p>It may be reasonable to assume in many cases that the relevant period of economic loss is from:</p> <ul style="list-style-type: none">• the date of the employee's death until the child reaches 18 years of age unless they are in full time education. <p>However, the use of this age is for illustrative purposes only and not prescriptive.</p> <p>In determining the likely period of a dependant's economic dependence, you must</p> |

| |
|---|
| exercise discretion and have regard to the circumstances of the case. |
|---|

Claims for compensation made by or on behalf of two or more dependants

Where claims for compensation are made by or on behalf of two or more dependants of the employee, you shall make **one determination** in respect of those claims.

It is important to ensure that all dependants of the deceased employee are included in the claim for a lump sum death payment.

Any dependants who make a claim after a determination has been made cannot be included in the lump sum payment.

A detailed assessment of all dependants should be conducted prior to issuing a determination to ensure that all potential dependants have been identified. A death certificate will usually state the deceased's marital status and list any known children.

Any children under 18 should be assessed for dependency.

The determination

The determination should clearly document the relative apportionment of the lump sum to all dependants. This is especially important in situations where you have reasons to adopt a different approach to the apportionment of the lump sum between the various dependants. For example, you may determine that the application of the above principles is not appropriate. This may be because it would lead to a result which would not reasonably correspond with the respective economic losses suffered by each dependant.

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Procedure for determining lump sum payments

The following procedure explains how you should determine lump sum payments for dependents:

Step 1: Has liability for the death claim been assessed and accepted?

- if yes, continue
- if not, this procedure cannot continue until the death claim has been accepted.

Step 2: Did the deceased have dependants?

- if yes, continue (see [Establishing dependency](#), [Types of dependency](#) and [Evidence to demonstrate partial dependency](#) for more information on establishing dependency)
- if not, only funeral benefits may be payable. See [Paying for funeral and memorial services](#). End the procedure here.

Step 3: Have you established the level of dependency?

- if yes, continue
- if no, pause this procedure and determine the level of dependency (see [Establishing dependency](#), [Types of dependency](#) and [Evidence to demonstrate partial dependency](#) for more information on establishing dependency)

Step 4: Are the dependants considered to be wholly or partially dependent?

- if the dependants are wholly dependent, continue
- if the dependants are partially dependent, continue to step 6.
- If there is a combination of wholly or partially dependent dependants, you must apportion the maximum lump sum according to the economic loss of each dependant. See [Apportioning the maximum amount of lump sum payable](#) for an example.

Step 5: Is there more than one wholly dependent dependant?

- if yes, the full statutory payment is to be apportioned between all dependants
- if not, the full statutory payment is to be paid to the sole dependant.

Step 6: Is there more than one partial dependant?

- if yes, a percentage of the lump sum payment may be awarded in an amount not exceeding the current statutory rate. The amount is to be apportioned between all partial dependants.
- if no, a percentage of the lump sum payment may be awarded to the only partial dependant in an amount not exceeding the current statutory rate.

Step 7: Draft the determination.

Provide the determination to the Specialised Claims team Assistant Director for Quality Assurance prior to onforwarding to the Director.

Note: Ensure that the determination advises any dependants under 18 that their compensation has been placed in a trust account and include a Notice of Rights.

Step 8: Is the dependant(s) under 18 years of age?

- if yes, a trust fund will need to be set up to hold the amount payable. See Trust accounts and Procedure to set up a trust account for more information.
- if no, a direct payment is to be arranged.

Send an email to CAIS-Complex Payments. Ask them to set up and process the lump sum payment.

In the email, include the following information:

- The claim number
- The name of the payee

- The amount of the payment
- Confirmation that the payee's account details are correct
- Reference to any documents relating to the lump sum payment including the determination letter
- Approval from the Claims Manager, either in Pracsys or in the documentation (i.e. the determination letter) for the payment
- The document numbers.

Note: The Specialised Claims Team Assistant Director and Director must be copied into the email to CAIS. An Assistant Director or above will also be required to verify the payment.

This is the end of the procedure.

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Apportioning the maximum amount of lump sum payable

You can apportion the maximum amount of lump sum payable between multiple wholly and partly dependants based on the evidence provided and the circumstances of the case. This falls under section 17(3) of the SRC Act.

Extended Example

The remaining content in this section provides an extended example to help you with apportioning a lump sum.

A deceased employee left 6 dependants (5 children and one current spouse) at the time of his death on 02/07/2012.

Children 1, 2 and 3 were living with the deceased employee's previous spouse, therefore were **partly dependent**.

Children 4 and 5 and the current spouse were living with the deceased employee before the date of death and were **wholly dependent** on the deceased employee.

The deceased employee was paying:

- child 1, 2 and 3 a \$100 allowance, and
- half of any medical expenses for all 5 children.

At the time of the deceased employee's death, the statutory benefit rate for death lump sum payments under section 17 of the SRC Act was \$475,962.79 (as from 1 July 2012).

Calculation and amount payable to child 1

Date of Birth: 02/07/1991

Child 1 was 21 years old at the time of the deceased employee's death.

It is reasonable to assume that the \$100 per week allowance may have continued until child 1 turned 25 on 02/7/2016 which equates to 208 weeks from the date of the deceased employee's death.

208 weeks x \$100 = \$20,800

It is reasonable to allow \$1000 a year for medical expenses up to the age of 25.

\$1000 x 4 years = \$4,000

Total amount payable = \$24,800

Calculation and amount payable to child 2

Date of Birth: 02/07/1993

Child 2 was 19 years old at the time of the deceased employee's death.

It is reasonable to assume that the \$100 per week allowance may have continued until child 2 turned 25 on 02/7/2018 which equates to 312 weeks from the date of the deceased employee's death.

$$312 \text{ weeks} \times \$100 = \$31,200$$

It is reasonable to allow \$1000 a year for medical expenses up to the age of 25.

$$\$1000 \times 6 = \$6,000$$

$$\text{Total amount payable} = \$37,200$$

Calculation and amount payable to child 3

Date of Birth: 02/07/1994

Child 3 was 18 years old at the time of the deceased employee's death.

It is reasonable to assume that the \$100 per week allowance may have continued until child 3 turned 25 on 02/7/2019 which equates to 364 weeks from the date of the deceased employee's death.

$$364 \text{ weeks} \times \$100 = \$36,400$$

It is reasonable to allow \$1000 a year for medical expenses up to the age of 25.

$$\$1000 \times 7 \text{ years} = \$7,000$$

$$\text{Total amount payable} = \$43,400$$

Calculation and amount payable to current spouse, child 4 and child 5

Child 4 Date of Birth: 02/07/2001

Child 4 was 11 years old at the time of the deceased employee's death.

Child 5 Date of Birth: 02/07/2005

Child 5 was 7 years old at the time of the deceased employee's death.

After the payments to the deceased employee's 3 oldest children have been established, there remains a balance of \$370,562.79 payable.

In cases where a wholly dependent child is supported by a wholly dependent adult, the largest payment should be made to the dependent adult, therefore the:

- current spouse is entitled to 80% of \$370,562.79 which equals \$296,450.23, and
- child 4 is entitled to 10% of \$370,562.79 which equals \$37,056.28
- child 5 is entitled to 10% of \$370,562.79 which equals \$37,056.28

See a breakdown of this example in the table below.

| Dependant | Dependency | Age | Financial dependence (weekly) | Duration (weeks) | Medical dependence (years) | # years | Total dependency |
|--|------------|-----|--|------------------|----------------------------|---------|------------------|
| Child 1 | Partly | 21 | \$ 100.00 | 208 | \$ 1,000.00 | 4 | \$ 24,800.00 |
| Child 2 | Partly | 19 | \$ 100.00 | 312 | \$ 1,000.00 | 6 | \$ 37,200.00 |
| Child 3 | Partly | 18 | \$ 100.00 | 364 | \$ 1,000.00 | 7 | \$ 43,400.00 |
| Total payable to partly dependent children | | | | | | | \$ 105,400.00 |
| Balance of lump sum payable | | | | | | | \$ 370,562.79 |
| Child 4 | Whole | 11 | 10% of the balance of the lump sum payment | | | | \$ 37,056.28 |
| Child 5 | Whole | 7 | 10% of the balance of the lump sum payment | | | | \$ 37,056.28 |
| Spouse | Whole | N/A | 80% of the balance of the lump sum payment | | | | \$ 296,450.23 |

| Dependant | Dependency | Age | Financial dependence (weekly) | Duration (weeks) | Medical dependence (years) | # years | Total dependency |
|-----------|------------|-----|-------------------------------|------------------|----------------------------|---------|------------------|
|-----------|------------|-----|-------------------------------|------------------|----------------------------|---------|------------------|

Trust accounts

Trust Accounts are set up by Comcare where a dependant is not yet eligible for a lump sum to be paid directly to them. This includes a child under the age of 18 and dependants with a legal disability who are unable to manage their own affairs.

The Beneficiary Trust Accounts Officer in Finance is responsible for the administration of trust accounts.

The lump sum is released to the dependant once they reach 18 years of age. Prior to the release, written notification is to be sent to the dependant advising of the lump sum payment. A request is also made for the dependant to nominate an account in their name for the payments to be made.

Early release of funds

At any time prior to the trust money being paid to the child, the parent or guardian may request funds to be released for the benefit of the child. However, to protect the interests of the child and to ensure that funds are being released for the purpose for which they are intended, this request must:

- specify the purpose for which the funds are required, e.g. educational expenses or emergency medical treatment, and
- provide proof of financial hardship which necessitates the early release of the funds.

It is important that approval is sought before any commitment or expenditure of funds occurs.

Note: Any enquiries about early release of funds should be referred to the Beneficiary Trust Accounts Officer in Finance (email [Help Desk – Finance](#)).

Procedure to set up a trust account

The following procedure explains how you set up a trust account:

Step 1: Has the dependency been established?

- if yes, continue
- if no, a trust account cannot be set up. Determine dependency first. See Establishing dependency, Types of dependency and Evidence to demonstrate partial dependency for more information.

Step 2: Is the dependant under 18 years of age or does the dependant have a legal disability?

- if yes, continue
- if no, the dependant does not require a trust account. Move to Step 8 of [Procedure for determining lump sum payments](#).

Step 3: Request the lump sum payment be awarded.

Send an email to CAIS - Senior Staff and request they 'Create Claim Invoice' in Pracsys for the lump sum amount to be awarded to the dependant.

Note: An Assistant Director or above will need to verify the amount.

Step 4: Request a trust fund be set up. Then:

- Send an email to Help Desk Finance and request that a trust account is set up for each dependant under 18 years of age.
- Provide a copy of the determination, including all the relevant details regarding the dependant(s) to the Beneficiary Trust Accounts Officer in Finance (email [Help Desk – Finance](#)).

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Weekly payments to prescribed children

Prescribed child

Section 4(1) of the SRC defines a prescribed child as a child under the age of 16, or a child between the ages of 16 and 25 that is studying full time and is not normally employed.

An unborn child may also be covered by the provisions of a prescribed child. If an employee's partner is pregnant at the date of the employee's death, compensation may be payable for the child from the child's date of birth.

Note: The meaning of **prescribed child** does not capture those in receipt of wages or salary, such as those undertaking an apprenticeship or internship. A dependent child (DC) undertaking an apprenticeship will no longer be considered as receiving full-time education. They will be considered as ordinarily engaged in employment, which would preclude the DC from claiming weekly payments.

A prescribed child may undertake employment during a school break or have casual/part time employment. They should continue to be regarded as a full-time student, not ordinarily in employment, so long as they remain in full-time study.

Under section 17(5) of the SRC Act, prescribed children of a deceased employee are entitled to a regular compensation payment, for as long as they meet the definition of a 'prescribed child'.

Rate of weekly payments

The weekly payment rate is the [statutory rate](#) payable at the time of the employee's death and is increased annually.

The date the weekly payment commences is based on:

- for a child already born – the date of the employee's death, or
- for a child yet to be born – the date of the child's birth.

However, compensation is not payable for:

- any period during which the child is not a prescribed child, and
- any period during which, if the employee had not died, the child would not have been wholly or mainly dependent on the employee.

Example: The child turns 16 and decides to work full time. However, after six months, they return to school and give up their employment. For the six-month period that the child worked, they were not a prescribed child.

Prescribed children's details are entered into Pracsys (see [Procedure for establishing dependency and adding dependants to Pracsys](#)). They are paid using a trust (if aged under 18) or the direct payment method. See [Procedure for determining lump sum payments, step 8](#), for arranging this.

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Prescribed child reviews

Regular reviews need to be undertaken to ensure dependants are still meeting the criteria of a prescribed child, to avoid overpayment. Reviews should be undertaken yearly when the dependant is between the ages of 16 and 25 and pursuing studies.

Parents or guardians of prescribed children should be advised of the criteria for payment of the weekly benefit and asked to advise Comcare if their circumstances change. This includes:

- parent or guardian ceases to have care for the child (payments are to be redirected to the current guardian)
- the child ceases to be a student (if aged 16 or over)
- the child ceases to study full time
- the child commences employment.

Where a weekly payment is being made to a child and the child turns 16, you will need to send out a [Student Review Form](#) each November. This review form establishes whether the child:

- continues to meet the definition of 'prescribed child' under the SRC Act, and therefore continues to qualify for payments under section 17(5), and
- is still wholly or mainly dependent.

To avoid overpayments, the [Student Review Form](#) is used to ask a prescribed child for evidence of enrolment in full time education. If this evidence is not received by Comcare, the prescribed child payments for dependants aged between 16 and 25 should not be extended.

Note: The payment is made directly to the prescribed child once they turn 18 years of age.

Procedure for actioning a Student Review Form (prescribed child review)

The following procedure explains how you request and action a student review form:

Step 1: Phone the guardian or dependant (if the prescribed child is over 18 years).

Your conversation should advise:

- the purpose of the [Student Review Form](#) that they will be required to complete
- the date the information is due
- that payments cannot be determined until this information is received
- any other information that they may be required to provide.

Note: If you are unable to reach the guardian or dependant by phone, send the letter immediately.

Step 2: Email letter to the guardian or dependant requesting completion of the form.

Use letter template *371 - Section 17 - Review of Claim - Dependent Children*.

Ensure that the form is attached, and the letter is addressed to the guardian of the child or the prescribed child directly (if they are over 18 years).

Step 3: Update comments in Pracsys.

Ensure that:

- a comment is entered stating the reasons you are requesting the form to be completed, and
- you record the details of your conversation with the guardian or dependant.

Step 4: Create an action plan in Pracsys.

Ensure that the information requested and the date the form is due (14 days) are entered.

Step 5: Has the form been received within 14 days?

- if yes, continue
- if no, phone the guardian or dependant to follow up the form and advise that payments cannot be made until such time as the form is received. If necessary, send another form out and give an extension of two weeks.

Step 6: Is the form complete?

- if yes, and proof of enrolment in full-time education has been provided, continue
- if no, phone the guardian or dependant to advise of the missing information, and that the form will be returned to them for completion. **Note:** Ensure that you follow steps 3 and 4 above.

Step 7: View (and update) the dependant's contact details in Pracsys.

Ensure that the contact details entered are accurate.

Step 8: View incapacity payments in Pracsys.

Ensure that you check the end date of incapacity payments.

Step 9: Have any prescribed child weekly payments been paid after the end date of full-time education noted on the form?

- if yes, continue
- if no, continue to step 11.

Step 10: Amend the payment period in Pracsys.

Void the prescribed child weekly payments paid after the end date of full-time education.

Note: This will create an overpayment which will need to be recovered from the dependant or guardian.

Step 11: Enter a period from the date of the last dependant payment, with the end date taken as the end date of the proof of enrolment or the end of the financial year, whichever is the soonest.

Note: If verification is required, send an email to the Assistant Director.

Step 12: Create an action plan in Pracsys.

Enter comments that a Student Review Form is due to be sent and the required date as either in 12 months' time or 1 month prior to the advised date of the end of full-time study (whichever comes first).

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